



Penn State Asset Management Group

PSAMG EoW Product Report

Week of February 10 – February 14, CY2020

Weekly Markets Update

Keith Hamilton

Lead Associate | Metals
keithhamilton20@gmail.com

Omar Barakat

Lead Analyst | Metals
barakatomar55@gmail.com

Luke Palma

Lead Analyst | Metals
lukepalma25@gmail.com

Jake Spagnola

President
jakespagnola@gmail.com

Nathan Pontician

Vice President
nathanpontician@gmail.com

Justin Shea-Katz

Chief Investment Officer
jsheakatz@gmail.com

Liam Callahan

Director of Economic Analysis
liam.callahan00@gmail.com

Christopher Vaughan

Director of Education
vaughanc7298@gmail.com

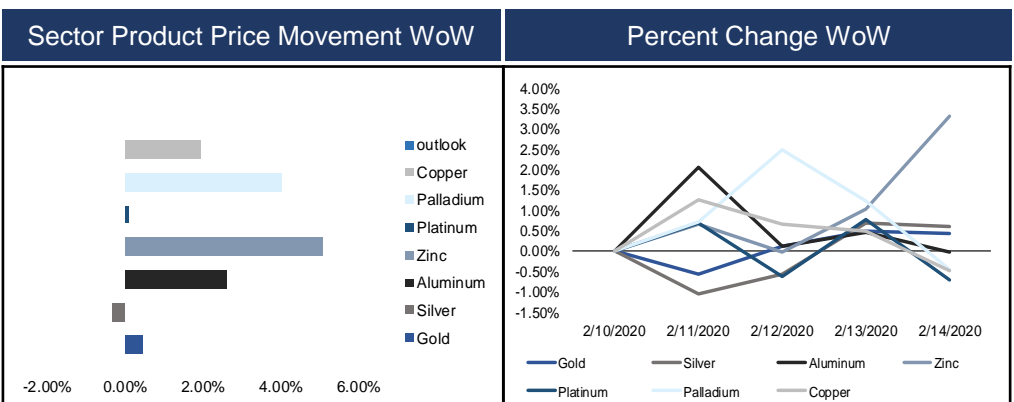
Michael McPeck

Director of Outreach
mikemcpeek1@gmail.com

	EoW Close	EoW Percentage Change
Palladium Futures	2335.20	3.10%
Platinum Futures	967.40	0.20%
Gold Futures	1586.85	0.77%
Silver Futures	17.72	-0.38%
Copper Futures	2.60	1.96%
Aluminum Futures	1721.00	2.53%
Zinc Futures	2149.50	0.22%

Market Data as of Friday, February 14, 5:00 pm EST

Metals Price Movement





Penn State Asset Management Group

PSAMG EoW Product Report

Week of February 10 – February 14, CY2020

Palladium & Platinum

The platinum group metals both ended the week with positive price increases. Palladium futures increased 3.10% to \$2,335.20/oz., and Platinum futures ended the week with a 0.20% increase to \$967.40/oz. The increase in both of the platinum group metals was influenced by the recent U.S. retail sales data that was released. Retail sales in the U.S. increased by 0.30% MoM in January of CY2020, a slight increase above the expected 0.20% gain. U.S. retail sales in the auto sector rebounded from a 1.70% decrease in December CY2019 to a slight increase of 0.20% in January of CY2020. Palladium and platinum prices are sensitive to automotive data considering their high usage rates in catalytic converters. The reasoning behind such a large increase in palladium pricing compared to that of platinum is the lack of diesel-fueled cars in the U.S., which are produced using catalytic converters. Palladium is more exposed to U.S. data, thus resulting in a larger price increases from positive data on the U.S. auto industry.

Gold & Silver

Safe-haven assets ended the week with inverse price changes as gold rallied and silver fell. Gold futures ended the week up 0.77% at \$1,586.85/oz., and Silver futures ended the week down 0.38% to \$17.72/oz. Investors relied on gold's safe-haven characteristics to hedge against the economic impact of the continuous coronavirus outbreak. This resulted in gold prices increasing to the highest level in more than a week. The jump in gold was caused by the number of confirmed infections in Hubei jumping from 1,638.00 to over 14,000.00 on Wednesday, February 12, CY2020. Prior to Wednesday, the rate of infection from the virus began to increase at a slowing rate, resulting in investors becoming satisfied with the idea of a slowdown of the virus. Gold prices only slightly increased to the new cases due to the Provincial Health Commission adjusting their diagnoses procedure by now counting clinically diagnosed cases instead of those just with a positive laboratory case. On Thursday, February 14, CY2020, Chinese authorities reported 121.00 new deaths and 5000.00 new cases resulting in the virus returning to an increasing rate of infection. Silver prices slightly decreased this week due to its dual price dependence between being a safe-haven asset and an industrial metal. Silver's safe-haven characteristics may have resulted in an increase from the spreading of the virus, but most likely decreased more from the affects of U.S. industrial production decreasing 0.30% from the prior month in January of CY2020.

Base Metals

The base metals ended the week on strong increases as copper futures increased 1.96% at \$2.60/oz., aluminum futures increased 2.53% at \$1721.00/oz., and zinc futures increased 0.22% at \$2149.50/mt. The increase in base metals pricing may have been caused by the increase in consumer spending in the U.S., which accounts for more than two-thirds of economic output.

Weekly Markets Update

Keith Hamilton

Lead Associate | Metals
keithhamilton20@gmail.com

Omar Barakat

Lead Analyst | Metals
barakatomar55@gmail.com

Luke Palma

Lead Analyst | Metals
lukepalma25@gmail.com

Jake Spagnola

President
jakespagnola@gmail.com

Nathan Pontician

Vice President
nathanpontician@gmail.com

Justin Shea-Katz

Chief Investment Officer
jsheakatz@gmail.com

Liam Callahan

Director of Economic
Analysis
liam.callahan00@gmail.com

Christopher Vaughan

Director of Education
vaughanc7298@gmail.com

Michael McPeck

Director of Outreach
mikemcpeek1@gmail.com