Mining Review Sunday Roundup 7th Feb

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The week started with much anticipation as the Reddit group of hundreds of thousands of investors in America started buying silver, and companies that mined silver, or just have silver in their name.

As I previously mentioned, in last week's Mining Review, Wall St. was prepared, and headed them off at the pass by restricting silver options trades, and raising the margin to trade silver to 100% at one point, which effectively killed the rush before it started.

The other reason the silver buyers were not successful was that, unlike GameStop, where they had a single target, and therefore, total focus, here they targeted not only physical silver, but also silver mining stocks in general, meaning no focus, and their operations were spread too thinly.

I had a feeling it would fail, and it did, with some people getting burned when the silver price and the miners fell hard after the spike, which started at the bell on the Monday, as the market was waiting for them.

As soon as the margins were raised it was over, the Street had won, as it always does because they control the markets.

GameStop has also fallen, after the total insanity. So, a stock that started the New Year at $17, rose to a $483 intraday high, and has already crashed back to $63, and yet is still worth $4.45 Billion! There is more pain to come for holders I feel, and soon.

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Moving back to metals and mining, tin, widely used in electronics, is the latest metal to have supply concerns. Consequently the price has risen sharply in recent weeks. Covid has caused production issues in Bolivia and S. Africa, and now Myanmar exports may be impacted due to the military coup there.

The LME is very low on stock, although Shanghai stocks seem normal, and China imports from Myanmar, so they should be OK. The tin price has risen over 30% since January 2020.

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Stocks on our watchlist in the news

Leviathan Gold, a spinoff of the Avoca and Timor projects in Australia from Fosterville South, looks set to trade on the 10th February, ticker LVX.V

Ascot Resources submitted the amended permit application for their Premier Mine,

Red River Resources published an updated corporate presentation.

Apollo Consolidated expanded their Lake Rebecca project by purchasing a small parcel of land vital for the pit constraints on their project.

Fiore Gold drilled 19.8 m of 1.33 g/t Au at its Gold Rock development project in Nevada.

Precious Metals

Gold and silver had an interesting week, following a silver spike on Monday as the market anticipated the buying by the Reddit Robin Hood trader group, see comments above. It did not last of course, but silver had a better week than gold which ended slightly over $1,800.

Rhodium rose 11% after a dip last week.

Gold	1813	↓	-2%
Silver	26.93	↔	0%
Palladium	2347	↑	+5%
Rhodium	21800	↑	+11%

Base metals

Copper and nickel had a subdued week, due to some car production being halted in China and the USA due to a shortage of microchips for the engine management and other systems.

The coking coal price quoted reflects the DCE price, as it seems the most relevant.

Copper	3.55	↑	+1%
Nickel	7.95	↓	-1%
Zinc	1.18	↑	+3%
Iron Ore	152.4	↓	-1%
Manganese	3.83	↑	+1%
Coking Coal	234	↑	+10%

Crypto Currencies

Cryptos are absolutely flying again, and whilst not an asset class I'm a fan of, you can't ignore the fact that they are currently making investors in the best ones serious amounts of money.

Bitcoin, the bellwether, is close to $40,000 again after dropping 25% recently. The big mover at the moment is Ethereum, now trading around $1,600, a huge rise in percentage terms.

The problem I see is that if you're someone like myself that has watched the cryptos rise, is that if you buy in and then the market shakes out you could lose a hefty percentage of your investment as the swings are so wild. Until now they have always recovered, but that could change at any time.

The Mining Review is complete for this week.

Disclosure,

The writer holds long positions in all the stocks mentioned in the watchlist report today, bought in the market, at the prevailing price on the day.* **

**** Leviathan shares are being distributed to Fosterville shareholders on the record date.*