Mining Review – Weekly Update 23rd May

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Coking (Steelmaking) coal, Tin, and Rhodium were the standout performers in an otherwise quiet week on the metals markets.

Colonial Coal (CAD,V) rose strongly on a rising coking coal price, and Newcore Gold (NCAU.V) added 6,000 metres to their planned drill program in for 2021 in Ghana.



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Colonial Coal rose strongly on the back of a rising coking coal price driving their undervaluation even higher. Sadly many investors are still confusing coking coal, a vital ingredient in the production of steel, with thermal coal, a dirty product used in power generation, mainly in China and India.

Iron ore has slipped back slightly from it's peak due to the Chinese government taking steps to curb speculation. Copper and nickel also fell back in a generally poor week for industrial and energy metals.

Tin performed strongly again though, and is the top metal riser in 2021, gaining 47%.

Mining Review – companies in the news

We are getting to the business end of the New Year now, where companies that are serious about creating shareholder value are announcing or commencing their 2021 drill programs.

Banyan Gold (BYN.V) are one such company I have followed for quite a while now as a result of online conferences. I like a company where the CEO makes a substantial on market stock purchase. Their forthcoming 15,000 m drill program at Hyland looks very prospective. The proximity to Alexco's Keno Hill mine adds to the ingredients.

Centerra Gold (TSX: CG) have been informed by the Kyrgyz government that control and operations at their Kumtor mine has been transferred to the government.

This does not augur well for shareholders of Centerra, so, unless an agreement can be quickly made between the government and company, I expect a long drawn out affair, with international arbitration, and that is the worst possible outcome for shareholders.

Companies on our watchlist in the news this week

Minera Alamos – Completed the first blast at their new Santana mine

Silver Tiger Metals – Reported a high grade silver discovery at the Benjamin vein.

Newcore Gold – Increased the size of their new drill program to 66,000 m at Enchi, Ghana

Ascot Resources – Announced a C$3.8 million placement and 25,000 m drill program at Premier

Kootenay Silver – Reported good grade and continuity from 6 drill holes at Colomba, Mexico

Roxgold – Reported steady Q1 2021 results, possibly the last as an independent company.

Precious Metals

A decent week for PM's, as a weaker US dollar, and inflation rising were positive for gold. Bitcoin volatility has increased massively, with $10,000 daily price swings, which are probably helping to switch investors back to gold and silver.

Gold	1881	↑	+2%
Silver	27.53	↔	0%
Palladium	2834	↑	+1%
Platinum	1172	↓	-4%

Rhodium	26850	↑	+5%

Industrial Metals

Tin enjoyed another big rise, and is quite volatile at the moment. It is the highest rising metal of the year to date, rising 47% since January 1st.

Copper	4.51	↓	-3%
Nickel	7.7	↓	-3%
Zinc	1.345	↑	+1%
Tin	15.13	↑	+7%

Energy Metals

The recent weakness continues, possibly due to the fall in demand for Tesla cars in China, and news that Tesla are stockpiling new cars in the USA, possibly due to missing semiconductor components due to worldwide shortages.

Cobalt	19.8	↓	-2%
Manganese	3.3	↑	+2%
Lithium	12665	↓	-1%
Uranium	30.55	↔	0%

Bulk Commodities

In theory these two should move more or less in tandem, but they have been moving in opposite directions recently, and true to form, both reversed last week. Iron ore moved downwards as the Chinese government moved to stop the price speculation, and coking coal increased due to higher Chinese imports.

Iron Ore	201	↓	-4%
Coking Coal	144	↑	+8%

PM ETF's

All had a very strong week despite the actual precious metal prices being only slightly higher. The standout was the SILJ, the Junior Silver Miners Index.

GDX	39.29	↑	+4%
GDXJ	53.87	↑	+5%
Sil	47.69	↑	+5%
SILJ	17.16	↑	+6%
GLD	176.04	↑	+2%

Miscellaneous Statistics

All marginally negative this week, but by less than 1%. The gold to silver ration continues to fall.

Au / Ag Ratio	67.59	↓	0%
10 yr Tbond	1.619	↓	0%
US $ index	90.03	↓	0%

The City Investors Circle Mining Review for the 23rd May is now complete.

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We create awareness, and maintain interest in presenting companies by disseminating their future news to our entire investor group via email, social media, and our Monthly Review newsletter.

If you wish to present to our select group of active mining

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