Commodities Tracker

Insights and Analysis on Commodities Markets

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Nuclear Energy and Uranium

Key Takeaway

Deepening U.S. policy support strengthened the uranium market's structural case, spanning new reactor financing and added domestic enrichment capacity. The DOE's $17.5 billion conditional loan package for new nuclear deployment headlined this month's developments.

• On June 23rd, the U.S. Department of Energy (DOE) announced $17.5 billion in conditional loans to support new reactor development and help utilities procure long-lead time equipment needed to construct domestic reactors. The financing is structured across as many as five loans, each supporting two reactor deployments per site. In the aggregate, the arrangement provides financing for up to 10 Westinghouse AP1000 reactors nationwide. While Westinghouse and its utility partners would be required to commit at least $500 million for each project before being allowed access to federal funds, we believe the loans help de-risk the nuclear sector's most capital-intensive bottlenecks.[1]

• Urenco announced a multibillion-dollar investment to boost uranium enrichment capacity by nearly 50% at its National Enrichment Facility in Eunice, New Mexico, the only commercial uranium enrichment capacity in the USA. The investment seeks to increase capacity by as much as 2.1 million separate work units (SWU), with construction beginning in 2029 and first fuel production targeting 2032. The new plant uses Urenco's existing gas-centrifuge technology and will produce low-enriched uranium for the existing nuclear fleet as well as potentially producing feedstock for HALEU production in advanced reactors.[2]

PRICE ACTION

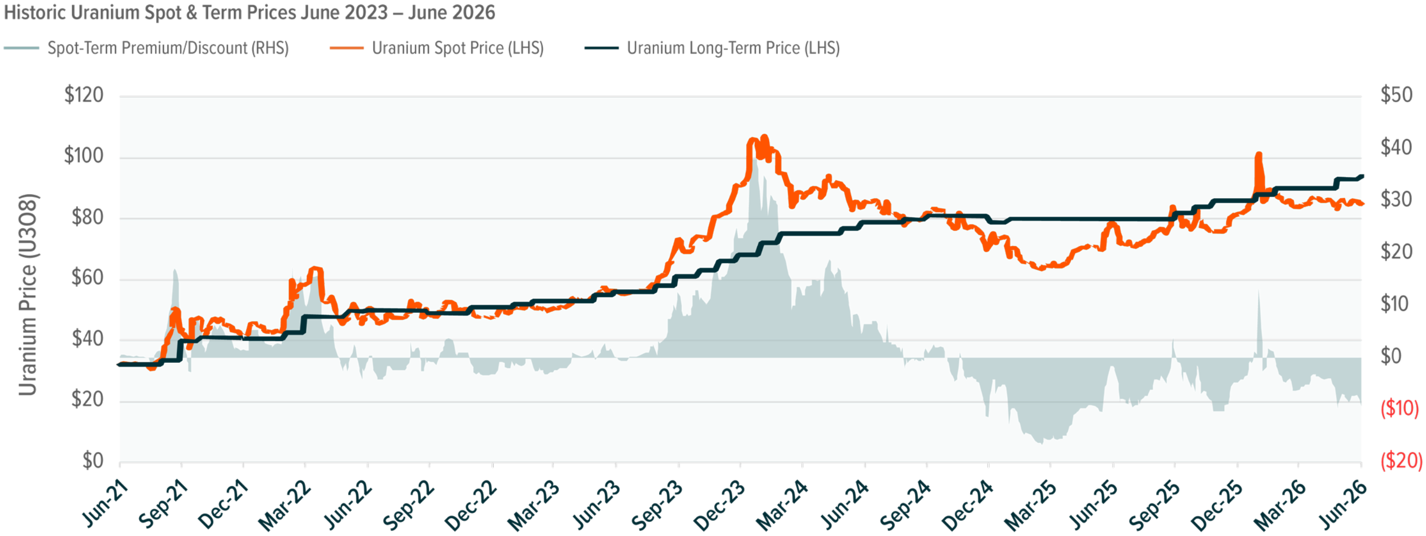
Uranium spot market activity receded in line with the seasonal summer slowdown, even as market participants continued to digest how shifting dynamics in the Iran and Russian/Ukraine wars are impacting markets. Spot U3O8 prices climbed to $85.90/lb as of June 23rd relative to July's long-term monthly price of $95.00/lb.[3] Spot market activity was limited to six deals, falling from the prior week while term activity picked up again in June even as term prices inched up again month over month, potentially reflecting accelerating momentum in uranium markets.

OUTLOOK

We believe the past month reinforced the structural case for uranium even amidst a seasonally muted summer market. Trading activity was largely rangebound in June, with volatility surrounding the U.S.-Iran War and its implications dominating the zeitgeist. Despite the persistent uncertainty, U.S. policy momentum continued unabated, headlined by DOE's $17.5 billion conditional loan package for AP1000 reactors, the expansion of domestic fuel enrichment capacity, and the advancement of multiple advanced reactor designs potentially on track to meet the DOE Reactor Pilot Program's July 4th deadline.[4]

Uranium Term Prices Advanced to $95/lb Amidst a Rise in Utility Contracting

Historic Uranium Spot & Term Prices June 2023 – June 2026



Source: Global X ETFs with information provided by UxC, LLC, (2026, June 30). Historical Ux Daily Price Data and UxC Historical Ux Month-End Price Data.

While spot activity tapered off alongside the seasonal summer slowdown, utility term contracting remained active, sending term prices up for a 2nd month in a row.

Copper

Key Takeaway

Supply-side tailwinds were outweighed by currency-related headwinds, muting copper's advance. Trade policy remains in focus ahead of the June 30th deadline for potential Section 232 tariffs on refined copper.

• President Trump signed a proclamation on June 1st, amending Section 232 national security tariffs on certain base metals, including copper. The changes took effect on June 8th and lowered tariffs mainly across steel and aluminum products. However, the decree resulted in an incremental easing of the U.S. copper content threshold from 95% to 85% for downstream-derived products, allowing a lower threshold for copper products to qualify as "made entirely" from American metals.[5] Nevertheless, the impact of the decree was largely marginal and the June 30th commerce department update on U.S. copper markets remains the lurking question.[6]

• Panama completed its audit of First Quantum's shuttered Cobre Panama mine, finding the project broadly compliant in terms of its environmental, legal, and operational obligations. This marks progress in the Panamanian government's decision on whether to reopen one of the world's largest copper mines, and could strengthen the case for a negotiated restart, albeit with higher tax and royalty burdens. Prior to its late-2023 closure, Cobre Panama accounted for roughly 5% of Panama's GDP and ~1% of global copper output, so its potential reopening represents a lurking swing variable for global supply.[7]

PRICE ACTION

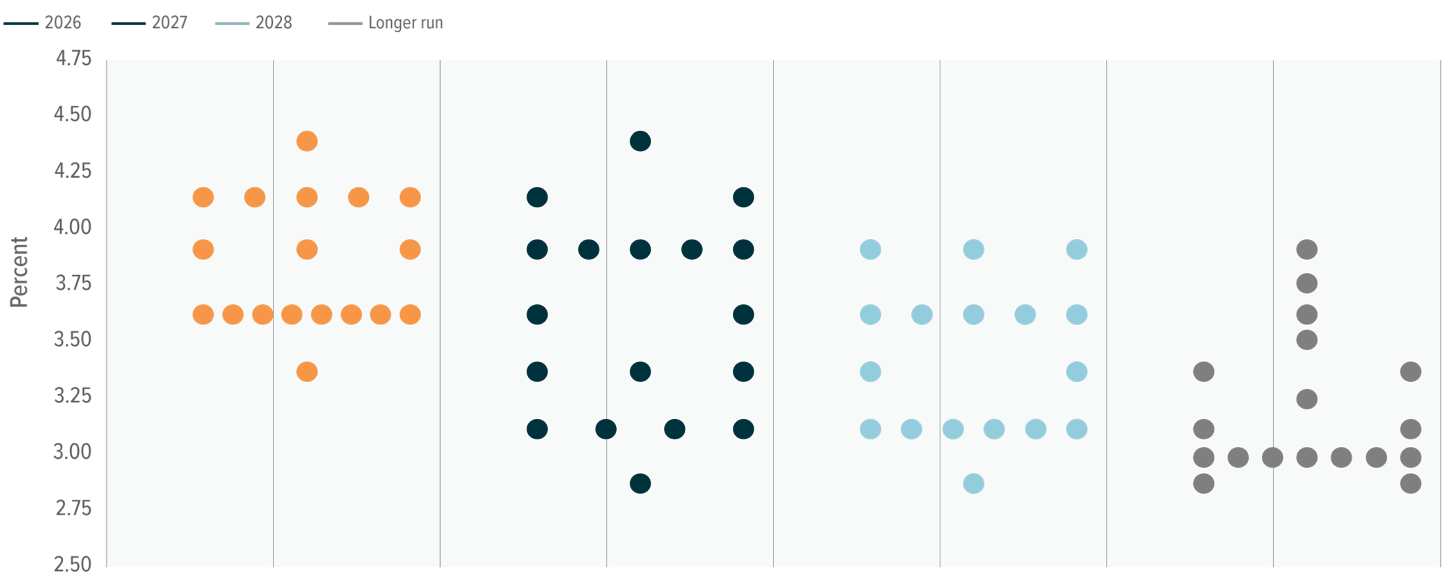
Copper remained under pressure for much of June, as a stronger dollar and hawkish signals from the Federal Reserve weighed on broad metals. Copper prices fell to ~$13,100 a ton on June 23rd, reflecting growing conviction that interest rates are likely to remain higher for longer.[8] New Federal Reserve Chair Kevin Warsh set the tone at his inaugural Federal Open Market Committee (FOMC) meeting, where participants signaled growing appetite for higher rates, reflected in both the dot plot and across Fed Funds futures.[9] While the tighter supply outlook remains a supportive catalyst, the macroenvironment continues to drive the outlook as long as interest rates remain volatile.

OUTLOOK

Copper enters 2H 2026 caught between a volatile macro backdrop and a constructive supply narrative. Hawkish Fed policy and dollar strength continues to dominate the price action and has overwhelmed the supply tightness that drove copper's Q1 advance. The June 30th Commerce Department review of the U.S. refined copper market remains the most consequential near-term catalyst for copper markets. While inflation data remains a continued risk factor for copper miners, the timely resumption of energy flows through the Strait of Hormuz could help place a floor on further downside risks.

Surveyed FOMC Participants Expressed a Higher Rate Outlook at Their June Meeting

Surveyed Target Levels for the Federal Funds Rate



Source: Global X ETFs with data derived from the Federal Reserve (2026, June 17). Summary of Economic Projections.

The FOMC is now openly split on whether to hike before year-end, a marked reversal from previous quarters, and placing upward pressure on the U.S. dollar.

Precious Metals

Key Takeaway

Gold and silver extended their retreat as unexpectedly hawkish Fed signals outweighed the impacts of an emerging ceasefire framework. In the background, central-bank gold buying continues to underpin gold's structural case, offering a potential floor amidst ongoing volatility.

• Fed Chair Kevin Warsh's inaugural June meeting struck a notably hawkish tone relative to expectations. 9 out of 18 Fed governors now project at least one rate hike before year-end, with market-implied probabilities showing a roughly 60% chance of a September hike, bringing as many as 2-3 rate potential rate hikes into the realm of possibility.[10] The U.S. dollar index saw its biggest monthly advance since July 2025, rising 2.5% in reaction to the move in interest rates, and weighing on gold and silver prices commensurately.[11]

• Despite on-going volatility, the structural case for gold demand remained intact as central banks signaled a resumption of purchases, potentially offering a floor of support for gold prices following its Q2 correction. The World Gold Council reported nearly 244 tonnes of net central bank gold purchases in Q1 2026, extending the strong pace of official-sector demand despite heightened market volatility in March. Other notable findings from the 2026 Central Bank Gold Survey included: 1) a record 45% of central banks plan to increase their gold holdings over the next 12 months; 2) 89% of respondents expect central bank gold reserves to rise in the coming year, and 3) 74% anticipate that the U.S. dollar's share of global reserves will decline over the next 5-years.[12]

PRICE ACTION

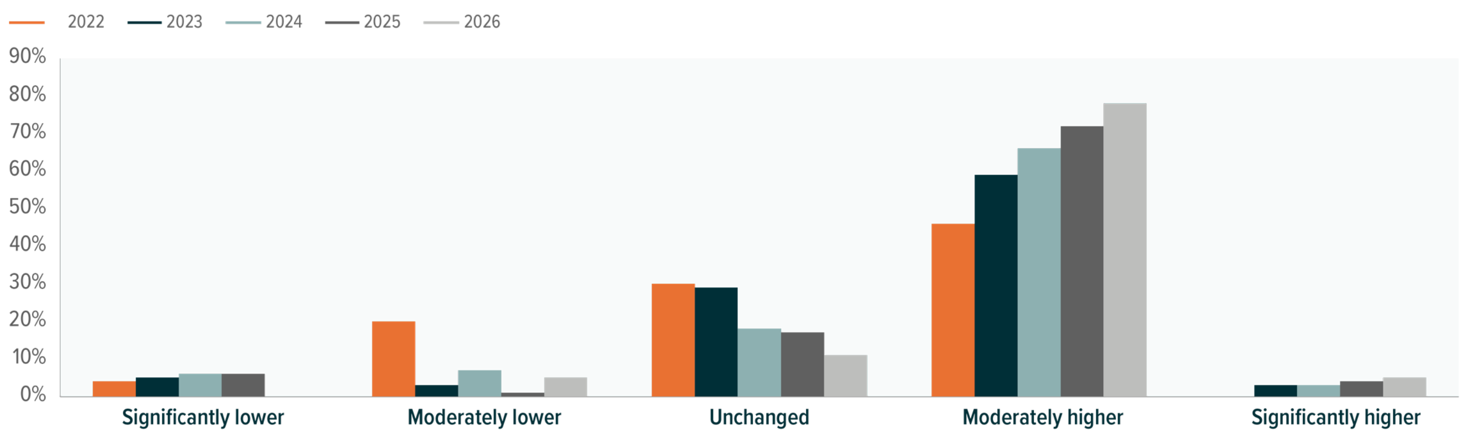
Gold prices hovered around $4,000/oz while silver prices fell below $60/oz in late June, as the early year precious metals rallied faltered. The precious metals complex retreated on the prospect of higher interest rates and currency pressures, instigated by hawkish signaling from the U.S. Federal Reserve, robust consumption data, and potential inflation pressures linked to the closure of the Strait of Hormuz. At least one rate hike is now fully priced in for 2H 2026, prompting metals to revert much of their 1st quarter gains as investors took profits and sought other asset classes.[13]

OUTLOOK

We believe precious metals remain caught between near-term macro headwinds and a compelling long-term structural trend. Elevated real yields and a stronger U.S. dollar continue to weigh on the complex, reflecting expectations for a potentially hawkish outlook under Chair Warsh. Consequently, the near-term backdrop remains suspectable to volatility until interest rates stabilize and the dollar's strength begins to moderate. The durability of any U.S.-Iran ceasefire and trajectory of impending inflation data remain key swing factors for market sentiment. In our view, any erosion in the case for further Fed tightening could provide the catalyst for precious metals to resume their broader uptrend.

Central Banks See Gold Making up a Growing Share of Reserve Portfolios

Survey Results: Proportion of Total Reserves Denominated in Gold 5-Years from Now



Source: World Gold Council (2026, June 16). Central Bank Gold Reserves Survey 2026.

84% of respondents believe that gold will hold a higher share of total central bank reserves in 5-years, up from 76% in 2025.

Critical Minerals, Battery Tech & Lithium

Key Takeaway

The U.S. accelerated its push to onshore critical minerals supply chains even as China escalated the rare earths fight. Lithium prices retreated on speculation surrounding a potential restart of CATL's Jianxiawo mine.

• China added 10 U.S. entities to its export control list on June 22nd, prohibiting exports of dual-use items to those firms with immediate effect. Most prominent among the named entities were rare earth and magnet developers MP Materials and USA Rare Earths. We highlight that the measure was entity-specific rather than a blanket restriction on rare earth exports to the United States, with Beijing characterizing it as a response to recent U.S. actions targeting Chinese firms with military ties. The announcement underscores structural weakness in ex-China supply chains, supporting the argument for increased investments across domestic metals separation and magnet production capacity.[14]

•The U.S. Army struck deals with several companies to build critical minerals processing plants on military sites across the country. This marks a first-of-its-kind initiative from the administration to boost domestic production and reduce its import dependency on China. Multiple firms, including Energy X, REalloys, and Titan Mining, reached agreements with the Pentagon to construct facilities for processing rare earth minerals, graphite, lithium, and boron. Such endeavors evidence the federal government's deepening push to onshore critical minerals value chains.[15]

PRICE ACTION

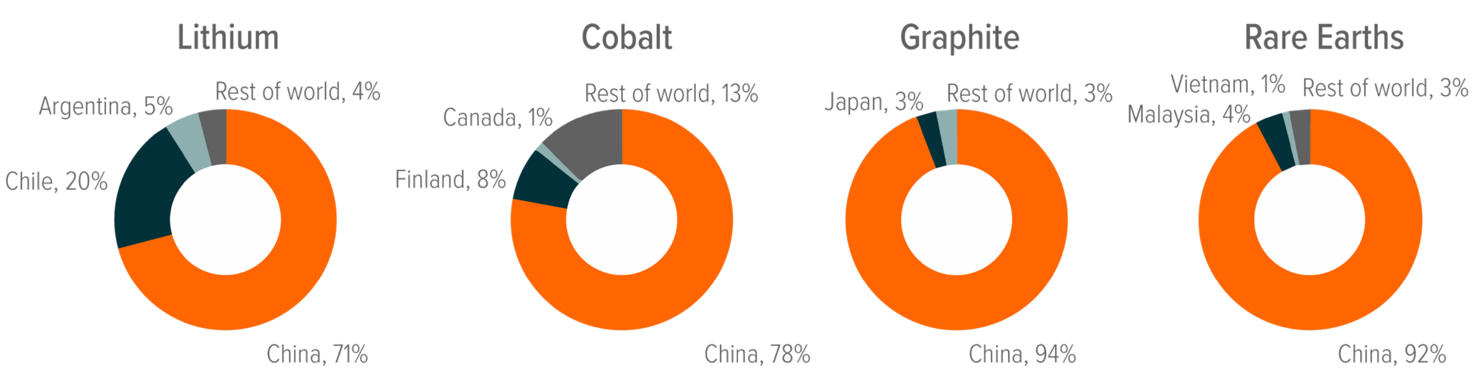
Lithium prices declined in June, with lithium carbonate futures falling nearly 10% over two sessions after reports of significant progress in the potential restart of CATL's flagship Jianxiawo lithium mine. This news was particularly impactful, given the mine accounts for as much as 3% of global supply.[16] Reports from Jiangxi authorities reflected progress in the mine's permitting review process, extending losses for lithium miners, pivoting the market toward an ample supply narrative, and reversing early-year gains.

OUTLOOK

2026 has seen a wave of U.S. capital deployments across the full rare earth mine-to-magnet value chain, spanning separation, refining, and production. This focus on processing illustrates a meaningful shift from the mined output focus emphasized in prior years, which led to notable achievements including meaningful price floor commitments for companies like Lynas Rare Earths and MP Materials. Layered public support remains the key driver for this segment, particularly as decision makers shift their emphasis toward midstream separation and refining capabilities that constitute the primary bottlenecks of the ex-China supply chain.[17]

China Dominates Several Key Minerals in Global Processing Capacity

Geographical Distribution of Refined Material Production for Key Minerals in 2024



Source: Benchmark Mineral Intelligence (2026, May 28). Benchmark Supply Chain Data.

Trade disruptions have elevated supply chain concentration as a key risk among critical minerals, particularly when it comes to refining capacity.

FOOTNOTES

1. Reuters (2026, June 23). US announces $17.5 billion in loans for nuclear power supply chain.
2. World Nuclear News (2026, June 2). Urenco to build new US enrichment plant capacity.
3. UxC, LLC (2026, June 22). Ux Weekly. Volume 40, Number 25.
4. U.S. Army (2026, June 5). Department of Energy and U.S. Army reach a major milestone on advanced microreactors.
5. GHY International. (2026, June 6). U.S. Adjusts Section 232 Tariffs on Aluminum, Steel, and Copper (New Proclamation Further Adjusting Tariff Regimes; CBP Guidance Available).
6. Congress.gov (Accessed on June 24, 2026). Section 232 National Security Tariffs on Copper Imports.
7. Reuters (2026, June 19). First Quantum's shuttered mine passes audit, as Panama weighs restart.
8. Bloomberg (2026, June 23). Copper Extends Losses as Dollar and Hawkish Fed Pressure Metals.
9. CME Group (Accessed on June 23, 2026). FedWatch Tool. Target Rate Probabilities for 29 Jul 2026 Fed Meeting.
10. Ibid.
11. Reuters (2026, June 28). Dollar set for best month in nearly a year as bulls grow confident.
12. World Gold Council (2026, June 16). Central Bank Gold Reserves Survey 2026.
13. CNBC (2026, June 25). Gold hovers around $4,000, silver holds below $60 – has the shimmer worn off the precious metal rally?
14. Benchmark Mineral Intelligence (2026, June 25). China targets US rare earth and defense-linked entities with dual-use export ban.
15. Bloomberg (2026, June 25). US Army Bases to Host Critical Minerals Processing Plants.
16. Oilprice.com (2026, June 25). Lithium Prices Tumble As Traders Brace for CATL Supply Surge.
17. Benchmark Mineral Intelligence (2026, June 23). Why the US is becoming a rare earth mine-to-magnet destination.

GLOSSARY

UxC, LLC: A nuclear fuel market research and analysis firm, which provides pricing, forecasting, and consulting services across the nuclear fuel cycle.

Uranium Spot Price: The prevailing market price for physical uranium available for immediate or near-term delivery, typically within 90 days.

Uranium Term Price: The agreed-upon contract price for physical uranium for delivery over 3+ years, often across multiple deliveries.

AP-1000: Generation III+ nuclear reactor designed by Westinghouse.

HALEU: High-Assay Low-Enriched Uranium, a higher-enriched nuclear fuel (5-20% U-235) anticipated to power advanced reactor designs.

SWU: Separative Work Unit. The standard measure of the effort required to enrich uranium, reflecting the amount of work performed.

U3O8: Triuranium Octoxide, the standard form in which uranium is bought and sold on the spot market, often referred to as "yellowcake."

Spot Price: The current market price for immediate delivery of a commodity.

Term Price: The negotiated price for future deliveries under long-term supply contracts.

Section 232: A provision of the U.S. Trade Expansion Act of 1962 allowing import restrictions on products deemed matters of national security.

Dot Plot: Federal Reserve chart showing policymaker projections for future interest rates.

NdPr: Neodymium-praseodymium, a rare earth oxide used to manufacture high-strength permanent magnets for industrial applications.
