GS Materials - Oct 27...Gold Outflows, Iron Ore drift, NUE inline (px strength, guide +10%), FCX later, VALE earnings cut, Copper ask., China charts and GAS

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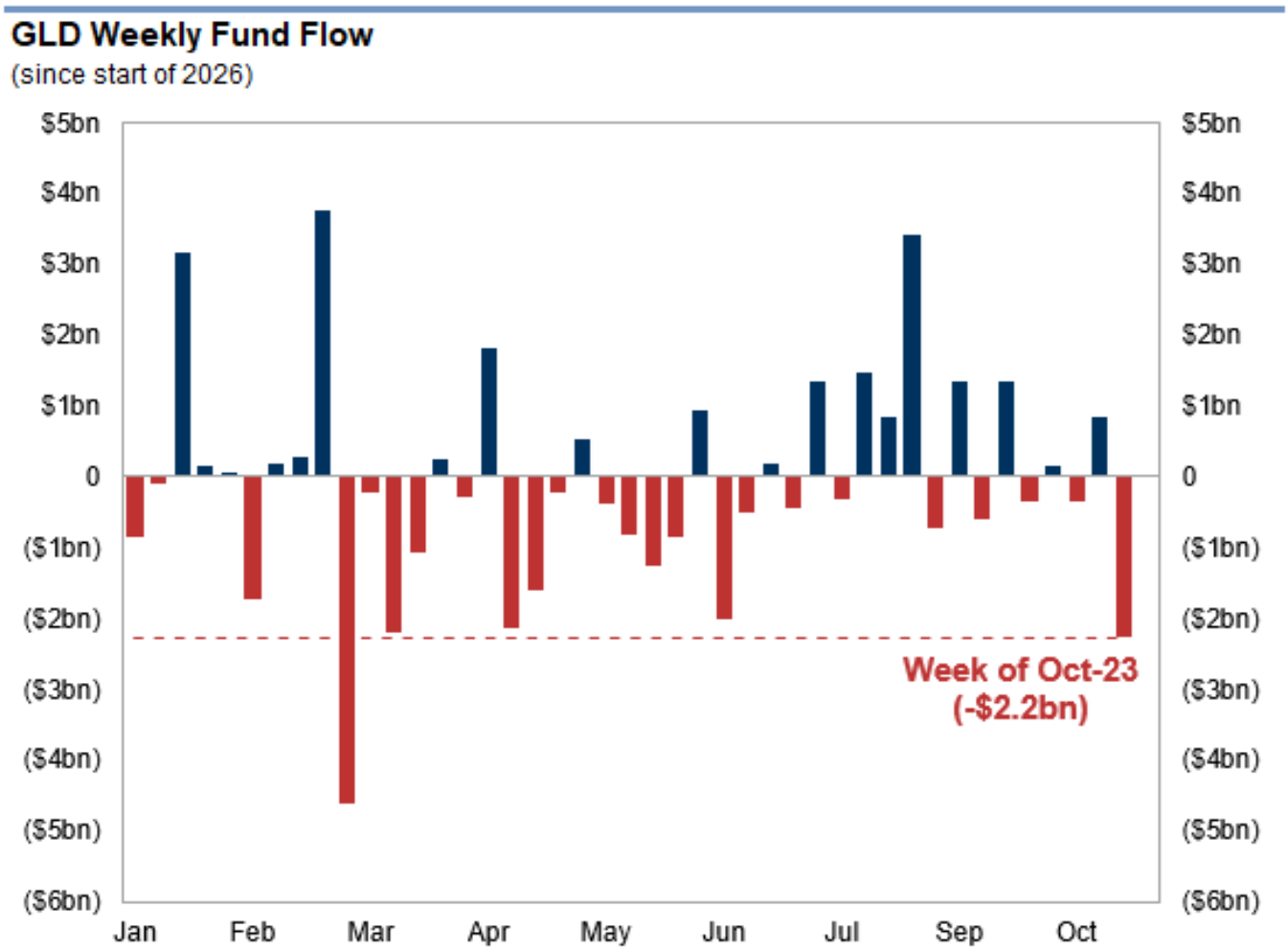
DXY 102.13 CNH 6.66 10YR 4.98 Gold 4,005 Copper 14,321 Oil 116.18

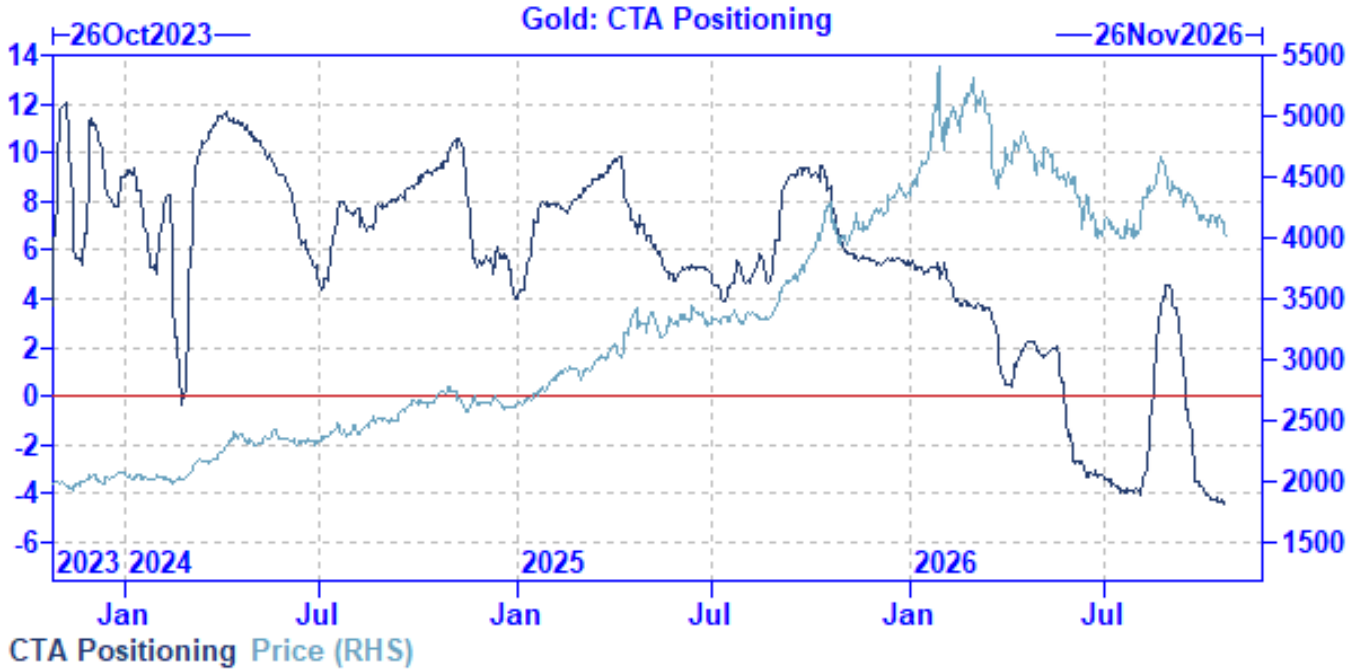
Carbonomics – Reminder of Nov 10 Register

Few things on the pass, **BHP.AU +**4.25% in Au is risk proxy, the **iron or**e name of choice **FMG** was -0.55% and Iron Ore <$90. as BRL gives the price a nudge lower (cost curev compression). Did not see anythign int he China materials names that looks exciting, steels and props partic soggy,. ***Hold the line on the Iron ore short*** is the message....., **Copper –** the comment I heard yday, when do you think the DRC can outproduce Chile? Now today I see that at c.1.35mt delta. Its Chile down and Africa. Requires a pretty material SXEW ramp to even get in the same ballpark and short term its premised upon Chile falling not DRC growing, I did see this story later in day Congo Removes Boss of Artisanal Mining Regulator Amid Crackdown *"300 Chinese nationals detained"*. Its still the primary ask in base, also to reiterate post LME, Ali is bearish, however plenty think the next $100 is higher, just a case of can stocks care, and Zinc is the one the mkt feels more confident to underwrite todays price (this week we get both BOL.SS and TECK.CN reporting). **FCX** report later (see below thoughts) …..**Steel** see **NUE** reported o/night (-1.8%) thoughts below , basiacally - inline, guide is better, all about price - ***Value over Volume,*** *every commodity, everywhere, say it....* **US HRC** stays well bid as **NUE** prints +$15 on weekly at $1270st (CRU at $1302 so a small gap to fill), the very small contango at front is a view that we peak into the new year than the backwardation picks up, the desk likes the back end roll up story towards $1300 (v $100 today…obv need no changes on tariffs to see that happen)…In **Germany** there was a conference last week, sentiment is constructive, regardless of weaker demand they look to CBAM/Quotas to keep the mkt tight, targeting a smidge above here at €800 (spot at €750)…..Interesting headline, I thought she was a chance to be next CEO at **LYC.AU**, but here we are **Kellie Parker** Former Rio Tinto Executive to Head Australia's Weapons Buying ....**Iron Ore** sits now <$90. The takeaway yday is BRL getting slammed and your having a material impact on the largest producer and cost curve. Reads as no surprise that the price drifts. The next ask from many is as freight normalises, does FOB respond? most taking a bet the margins dont expand and for the time being the iron ore names are under pressure. The way i see the ASX overnight is FMG is structural short, it trades like it, BHP caught a risk bid not an iron ore bid, RIO in the

middle of the two. Overnight the GS team downgrade earnings for **VALE** - hit by all the sticks, all at once - Fuel, freight, production and pricing., -20% Q/Q and 8% below cons... Nasty (See more below). ..

in **Gold s**peaking to my trader yesterday he says at LME week dinner he was the only one to tip, it, felt like he did so basis no one else interested. Starting points matter.... See below **biggest weekly outlfow since March in GLD.** I have said more than once the strength inthe ETF is about Central banks and Retail being able to be early, CTA short and Macros not involved. ...the pain last week was broad and this shows it.





Source global banking and markets past performance not indicative of future returns.

NUE.US - traded small down in after hours. Print inline (EPS inlin at $5.80, Rev +4% v cons, margins modestly below at 20.3%). The Q4 guide implies +10% upgrades on higher realised pricing. Note yday NUE hiked weekly price by $15st, at $1270st (CRU at $1302 so a small gap to fill), the very small contango at front is a view that we peak into the new year than the backwardation picks up, the desk likes the back end roll up story towards $1300 (v $100 today…obv need no changes on tariffs to see that happen)...The US has been very disciplined on prodn and expect that holds, "Value over Volume". ...i dont see a lot of readthrough to **MT.NA**, EBITDA numbers have come in from c.$2.15bn to 1.88bn for Q3., stock is €52 not 62 or even 72, and i see investors looking for a reason to own it (EUR over US is a favoured trade 2027 and NUE weakness is basis its a massivv cons long). Link to GIR

VALE - Downgrade - 2H26 and 2027 - Fuels/Freight/Production/Pricing - For 3Q26 specifically, we expect Vale to deliver an EBITDA of $3.3B (-20% q/q, cons 3.57bn) on the back of weaker iron ore production, lower price realization and higher costs (impacted by oil and freight). Nickel should be impacted by lower prices and higher costs while copper is expected to be impacted by lower production and higher costs. forward curves for benchmark price is at $93/t for 2027 vs. $100/t for 2026 average (GSe). But Vale's product mix has been increasingly concentrated among low margin products, including ROM sales, pellet feed concentration in China and third party sales (now representing 25% of total portfolio), which should further weigh on price realization/margins. We are forecasting price realization to be down by $5/t y/y in 2027. link to GIR

EGO.US - report later this week, ill preview it tomorrow, however mkt is short, looking for a rest. This headline on the filter press is a good sign (have heard some say its an issue), i was there as the Metso

engineers linked up the 6th press, so to me it confirmation of what i saw. Stick with this name. Link

FCX – pre reported (unusual) on 2/10 (stock traded +3.5%, sector was better, FCX px action reassuring), prodn was better, sales guided lower (costs will go up on that), avg selling price was $6.50. …For today I see Operating EBITDA (cons 3.15bn), EPS (cons 0.81c), Capex (cons 1.138), FCF (cons $967)….. Grasberg mining better, watching for comments on Water availability. Expect them to stay cautious on reset – for 2027 GS is at 1,180mlbs Cu, Gold 985k oz…watch for Bagdad FID of concentrator expansion (target is 2H26 – Capex c.$4.5bn and 3-4years – 200-250m lbs copper, 10-12mt lbs Moly). Beyond this all feels pretty as you are…..

Norilsk - Maintains FY Own-Source Nickel Production Forecast - Confirms 2026 Production Guidance… I think its fair that some people asking if sanctions coming off etc, how can supply recover? How impaired are these assets, feels more like a 2028 than a 2027 story and in that there is also the demand impulse off the back of it all.

GLEN – waiting for cons to be shipped about. Recall they have already updated the Marketing guide ahead of the Aussie roadshow (>$5bn, structurally +$300m pa) It's a logistics business, if the biggest worry is freight related cost push, then GLEN gotta be winning. I know the stock made the highs along with the peer group ahead of Sept 9 (Copper Tariff spoof lower), since then they have maintained this level bouncing around down a short 15%. There is length here, but length in general has been cut. It's a macro stock in a macro tape. Move to micro and it will do better… I am increasingly less worried about Thursday prodn print. We have the ones I was worried about and I have not heard anyone tell me Africa has had any major issues. Big area GLEN can differentiate, lets see is Xavier has earnt his keep….Personally i am chill into GLEN, running max size in this tape (ie have room to add).

		SepQ'25	JunQ'26	SepQ'26			GSe vs Cons
		Act	Act	Act	GSe	VA Cons	%
Industrials							
Katanga	*kt*	*55*	*55*		*58*	*55*	*5%*
Mutanda	*kt*	*16*	*16*		*15*	*15*	*(3%)*
Collahuasi	*kt*	*47*	*43*	*42*	*45*	*47*	*(3%)*
Antamina	*kt*	*35*	*37*	*40*	*36*	*36*	*2%*
Lomas Bayas	*kt*	*14*	*14*		*14*	*18*	*(25%)*
Antapaccay	*kt*	*42*	*24*		*29*	*29*	*1%*
Other divisions (Nickel, Zinc)	*kt*	*31*	*10*		*10*	*7*	*44%*
Copper	**kt**	**240**	**197**		**208**	**207**	**0%**
Kazzinc - own sources	*kt*	*51*	*54*		*45*	*48*	*(5%)*
Australia (Mt Isa, McAurther Rive	*kt*	*139*	*109*		*111*	*110*	*1%*
N America (Kidd)	*kt*	*12*	*8*		*0*	*9*	*(100%)*
Antamina	*kt*	*42*	*18*	*11*	*18*	*9*	*87%*
Zinc	**kt**	**244**	**189**		**174**	**175**	**(1%)**
Nickel	**kt**	**15.8**	**18.6**		**20.0**	**19.4**	**3%**
Cobalt	**kt**	**9.6**	**4.4**		**6.4**	**5.8**	**11%**
Ferrochrome	**kt**	**3**	**97**		**186**	**190**	**(2%)**
Energy							
Steelmaking Coal	**Mt**	**9.0**	**7.0**		**8.7**	**8.4**	**3%**
Energy Coal	**Mt**	**25**	**25**		**25**	**25**	**0%**
Total Coal	**Mt**	**34**	**32**		**34**	**34**	**1%**
Oil	**kboe**	**647**	**877**		**865**	**698**	**24%**

source GIR, past performance not indicative of future returns.

China Charts…

Eyeballing a few form Trina team yesterday…

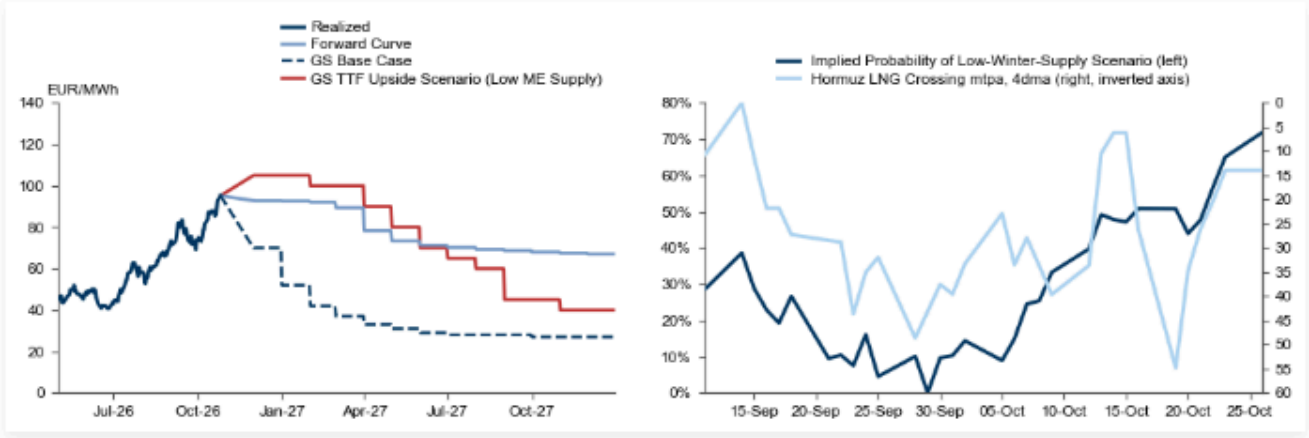


Source, GIR, past performance not indicative of future returns.

Gas - TTF thoughts from GIR...Link to GIR...Cooler weather is the push...TTF is up 8% WoW at 95 EUR/MWh, with the Dec26 TTF contract, also at 95 EUR/MWh, suggesting a 73% (vs

51% last week) market-perceived probability of a low-Mideast-LNG-supply winter.

Exhibit 1: Dec2026 TTF currently implies a 73% market-perceived probability that Mideast LNG supply remains low this winter
EUR/MWh (left chart); % (right chart, left axis), mtpa (right chart, right axis)



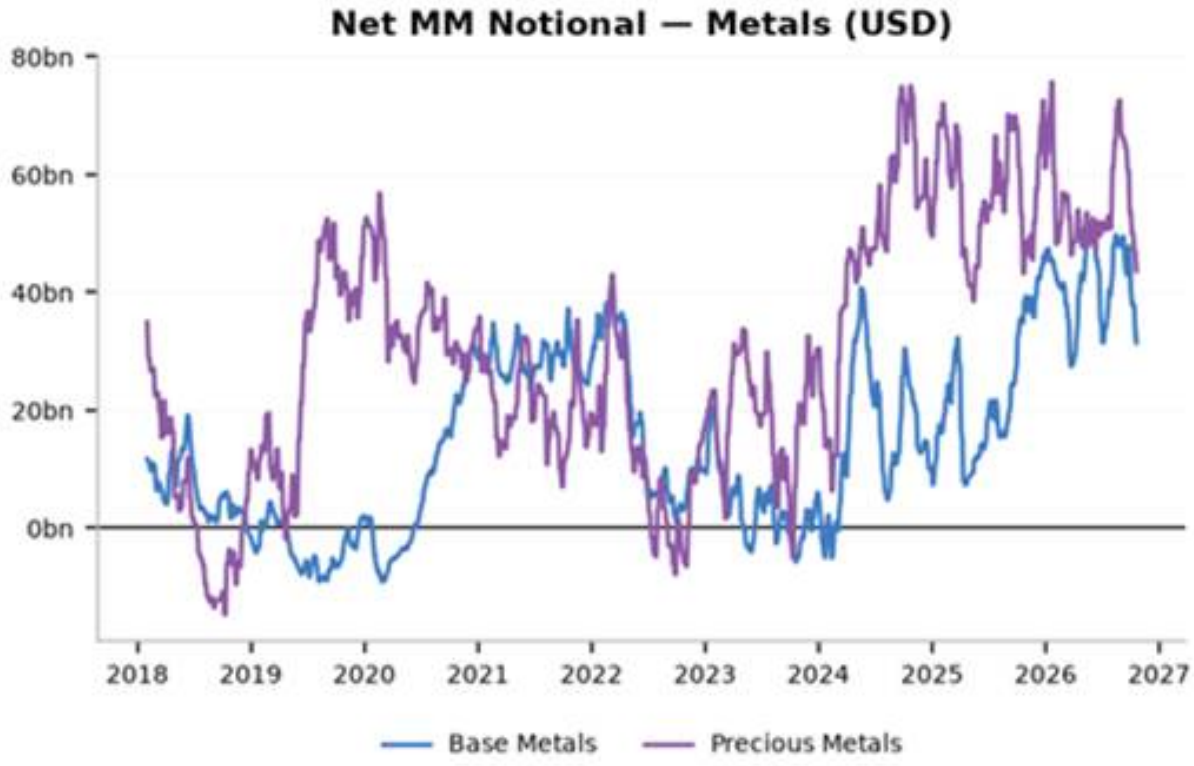
TTF forwards as of Oct 26th. Implied probability of a low-supply winter is calculated as the Dec26 TTF premium vs our 70 EUR/MWh base case, divided by the Dec26 TTF premium we would expect under a low Mideast winter LNG supply scenario and average winter weather (35 EUR/MWh).
Source: Kpler, ICE, Goldman Sachs Global Investment Research

Coffee - The Good Bad and Ugly....**This *Agriculture Analyst* offers a brief primer on the coffee market and our outlook.** The **physical market should loosen** as a strong 2026/27 crop is expected to push the global market into surplus. Because only a small share of global coffee is eligible for delivery against ICE futures, low ICE certified stocks could keep the futures curve in backwardation and front-month prices highly volatile even as physical supply improves this year, while early signs point to renewed supply risks in 2027/28.....**Bad: The 2027/28 crop is already at risk.** Brazil's arabica trees typically produce less after a large crop, making 2027 an off-year following the strong 2026 harvest. Flowering may develop unevenly after rainfall at the start of the growing season ran ~207% above normal, adding further downside risk. In Vietnam, this year's super El Niño has already depleted groundwater used for irrigation during the December-April dry season. If groundwater does not recover by December 2026, the 2027/28 Vietnam robusta crop could disappoint, as it did following the strong 2023/24 El Niño.....**Ugly:** Because only a small share of global coffee is eligible for delivery against ICE futures, **low ICE certified stocks could keep the futures curve in backwardation and front-month prices highly volatile even as physical supply improves this year.**

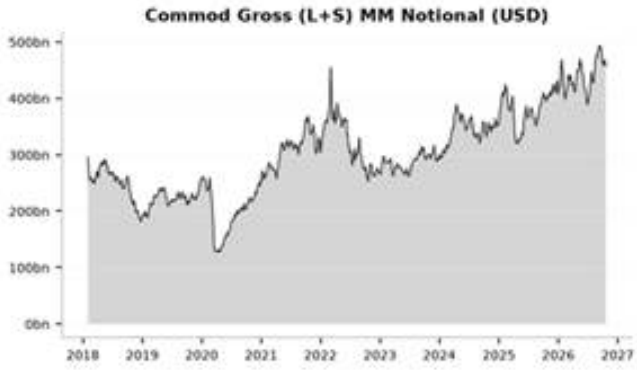
Other things i am watching

CFTC data... Data for week ending 20th Oct 2026 showed net managed money notional invested **decreased by $8.1bn** to **$197bn**, driven by a decrease in grains (-$5.7bn) and precious metals (-$3.6bn) and partly offset by crude (+$2.8bn). For context, average net notional invested was $104bn in 2024 and $142bn in 2025….. I put a few charts below, take a look at this link, some very overbought commods, ie TTF and Brent with RSI >70 and just as many oversold, palladium/wheat/corn/US nat gas <30…look at the selling in Copper (LME and CMX) it feesl cons, but its been pretty mixed and I don't see an alarming

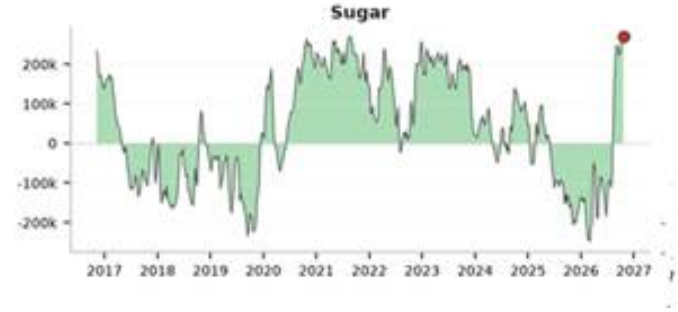
level by any stretch… till a tariff call short term, a supply side call medium term. ….Link to full note

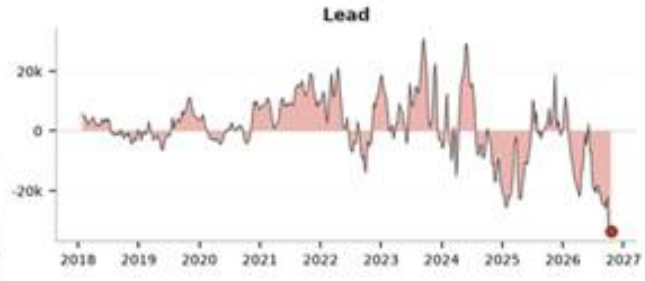




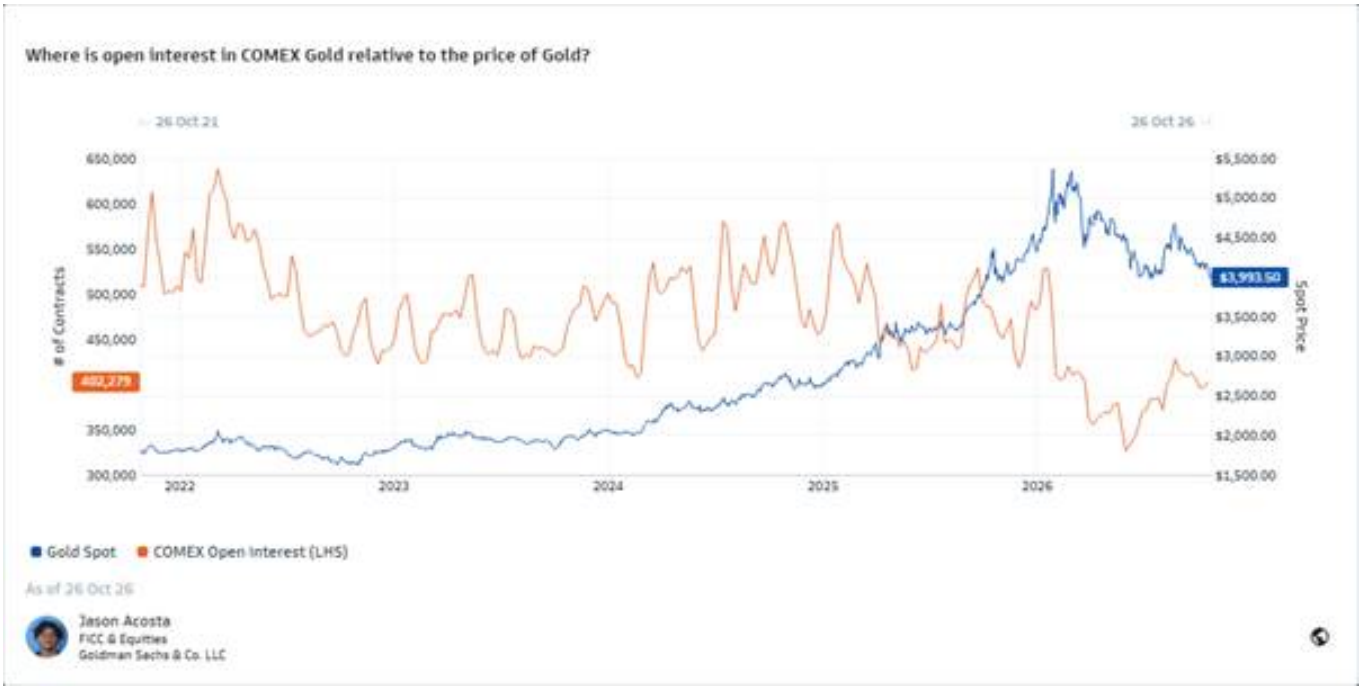


Some of the more cons positions





Looking at the precious



***Source:** Marquee MarketView*

GS Commodity Price Deck...see page 3 link

*** GS Global Copper Supply and Demand Model 2026-10-19**

Commodity and FX Forecast

Quarterly and annual forecasts

Calendar Year	Unit	Spot	Q1'26	Q2'26	Q3'26	Q4'26	2026	Q1'27	Q2'27	Q3'27	Q4'27	2027	2028	2029	2030	LT Inst$
Base Metals			Act	Act	Est	Est	Est	Est	Est	Est	Est	Est	Est	Est	Est	Est
Aluminium	US$/t	3,192	3,198	3,562	3,075	2,950	3,196	2,850	2,700	2,650	2,600	2,700	2,850	3,000	3,130	2,700
Copper	US$/t	14,113	12,824	13,352	13,600	13,700	13,369	13,800	13,800	13,800	13,800	13,800	13,685	13,485	13,332	11,500
Cobalt	US$/t	55,855	55,777	55,854	56,269	56,686	56,146	50,000	50,371	50,744	51,121	50,559	45,503	40,447	41,661	35,937
Lead	US$/t	1,961	1,929	1,955	2,050	2,050	1,996	2,141	2,141	2,141	2,141	2,141	2,235	2,329	2,423	2,090
Molybdenum	US$/t	74,185	56,724	65,313	48,000	48,000	54,509	47,500	47,500	47,500	47,500	47,500	47,124	46,747	46,371	40,000
Nickel	US$/t	16,714	17,338	18,090	18,000	18,000	17,857	17,000	17,000	17,000	17,000	17,000	18,154	19,307	20,461	17,650
Zinc	US$/t	3,892	3,237	3,464	3,400	3,200	3,325	3,200	3,200	3,200	3,200	3,200	3,250	3,350	3,450	2,976
Precious Metals																
Gold	US$/oz	4,521	4,873	4,508	4,081	4,127	4,397	4,174	4,223	4,271	4,304	4,243	4,408	4,429	4,405	3,800
Silver	US$/oz	69	84	73	59	60	69	61	61	62	63	62	64	62	60	52
Platinum	US$/oz	1,814	2,218	1,930	2,000	2,000	2,037	2,000	2,000	2,015	2,030	2,011	2,068	2,130	2,194	1,892
Palladium	US$/oz	1,340	1,724	1,425	1,535	1,560	1,561	1,550	1,450	1,461	1,472	1,483	1,499	1,544	1,590	1,372
Bulks																
Iron ore (62% Fe)	US$/t	96	104	105	96	98	101	98	97	95	95	96	97	98	99	85
Premium low vol HCC	US$/t	248	235	238	240	260	243	240	240	240	240	240	245	250	255	220
Low vol PCI	US$/t	169	161	161	180	170	168	165	165	165	165	165	172	179	185	160
Thermal (6000 kcal)	US$/t	136	121	135	140	130	131	120	120	120	120	120	121	121	122	105
Uranium (U3O8)	US$/lb	89	87	86	85	87	86	88	90	91	93	90	98	112	122	105
Manganese ore (44%)	US$/mnu	4.7	5.2	5.3	5.2	5.2	5.2	5.3	5.3	5.3	5.3	5.3	5.5	5.8	6.0	5.2
FerroChrome (50% Cr)	US$/lb	1.9	1.7	1.8	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.7	1.4
Bauxite	US$/t	55	64	64	70	70	67	70	70	70	70	70	70	70	70	60
Alumina	US$/t	365	307	308	320	320	314	340	343	345	348	344	354	365	376	324
Potash	US$/t	397	373	403	360	360	374	370	370	370	370	370	395	421	446	385
Steel																
EU HRC (EXW Ruhr/Italy)	US$/t	792	770	804	785	804	791	797	796	792	795	795	810	826	837	714
EU Plate (EXW Ruhr/Italy)	US$/t	867	847	886	853	873	865	867	866	864	867	866	884	905	916	781
US HRC (EXW Indiana)	US$/t	1,290	922	1,026	1,130	1,090	1,042	1,030	1,020	1,000	1,000	1,013	1,011	1,042	1,074	899
US Plate (EXW S'East)	US$/t	1,455	1,211	1,374	1,415	1,375	1,344	1,315	1,307	1,289	1,291	1,301	1,308	1,348	1,389	1,163
India HRC (EXW Nhava Sheva)	US$/t	600	589	616	636	636	619	636	636	636	636	636	674	713	751	615
US Bushelling Scrap	US$/t	453	363	385	452	436	409	412	408	400	400	405	405	417	429	360
EU Merchant bar (Domestic)	US$/t	858	782	868	848	867	841	860	860	857	861	860	877	898	908	775
Currencies																
AUD:USD	x	0.71	0.70	0.71	0.69	0.69	0.69	0.69	0.69	0.68	0.68	0.68	0.69	0.69	0.70	0.70
GBP:USD	x	1.36	1.35	1.34	1.32	1.32	1.33	1.32	1.32	1.32	1.32	1.32	1.32	1.32	1.35	1.35
CAD:USD	x	0.73	0.73	0.72	0.71	0.71	0.72	0.71	0.71	0.72	0.72	0.72	0.73	0.75	0.76	0.76
USD:ZAR	x	16.1	16.4	16.5	16.7	16.9	16.6	17.0	17.1	17.6	17.6	17.3	17.2	17.1	17.0	17.0
USD:BRL	x	5.20	5.25	5.05	5.33	5.43	5.27	5.54	5.66	6.12	6.12	5.86	5.64	5.44	5.26	5.26
USD:CLP	x	922	886	900	921	921	907	920	919	919	919	919	922	930	850	850

1. Source: Bloomberg, Goldman Sachs Global Investment Research

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