In the wake of the commodity supercycle and the new infrastructure deal, commodities remain supported by a robust thematic environment.

Copper is more volatile than gold, but the Copper to Gold Ratio historically correlates to the 10-Year US Treasury Rate.

The Copper to Gold Ratio is historically a leading indicator for interest rates as they both track macro sentiment. Based on the current relationship, this dynamic looks to be either going through a regime shift or forecasting a sharp increase in yields as the economy recovers and vaccinations continue.

Hunter Frey | Analyst at Catalyst Capital Advisors, LLC and Rational Advisors.