

## Sulphur price surge will hit fertilisers, food supply and metals

The continued failure of Trump to find a solution to the Iran War is regrettable, but not surprising with the negotiating team he sent in to bat. We need someone of Henry Kissinger's standard to step up to the plate but it is unlikely that one exists amongst Trump's sycophants. So, the uncertainty continues.

### *Hungary is a Relief, and a Bellwether*

In contrast, there was no uncertainty in the result of Hungary's election last weekend. A two thirds majority to the Péter Magyar team, meaning a super majority, is a landmark outcome. Viktor Orbán was always a fly in the ointment of European unity with his continued support for Putin. His removal augers well for greater consensus in European policy making and the future of Ukraine, while also being a rejection of right wing populism as typified by Trump and Putin. The election result says quite simply, "we are tired of egomaniacs who disrespect the society of the common man". The Iranian War and the Hungarian result could be the turning point for governments around the globe and for energy policy alike

Trump's ill-thought through aggression and the lack of foresight to see that the blocking of the Hormuz Strait would be an inevitable outcome, and it was going to have international outcomes beyond an oil and fertiliser shortage that will fuel inflation and interest rates, should have been obvious.

The disruption to peoples' lives will likely lead to a succession of changes in governments right around the world as each country goes to the polls, with a similar outcome to elections after Covid.

It is difficult to predict that an incoming government will be much better, but the attitude will be that the new guys can't be any worse. So, let's shuffle the pack and see what hand we get dealt.

### *Bad Energy Policy is Coming to a Head*

That may be a superficial view but what about looking deeper? The energy crises has a blatant cause - the Iran War. But, it is actually more fundamental than that. It is more serious than that. It relates to the obsession with green and renewable power to the detriment of pre-existing energy sources that built sophisticated economies and societies over many decades, to which we have become accustomed and reliant upon.

Somewhere along the path it seems that governments (and the people) have forgotten the term "base load" energy. That is what is needed for industry and jobs in a modern society. We cannot turn industry on and off according to whether the sun is shining or the wind is blowing. Importantly, energy policy should not be solely aimed at consumers. Industry needs a say. If coal-fired stations are too dirty, then bring on clean nuclear power. The solution is staring us in the face.

The key words in the paragraph above are "... to the detriment". I'm all in favour of renewable energy but it must be in balance. It should be an increasing element in the energy mix but preferably without ridiculously expensive subsidies such as those handed out by the Australian Government.

It is one thing to advance along the path to more environmentally friendly energy, but why does it have to lead to the destruction of existing and essential sources of energy? Why do we have to destroy those before we rebuild? That is more of a Maoist strategy than a Western one.

As we are seeing now, with the current energy crises, the governments have backed us into a corner with their energy policies. We have no room to move and it is causing us great anxiety. We can conveniently blame Trump, but the real underlying reason why we are so desperate now is because of more than 10 years of foolish government energy policy. The populism of green energy has suffocated balanced arguments and ostracised sensible planning. So, it seems, we only have ourselves to blame for the governments we have elected. Can we do better? Of course we can!

### *Another Unforeseen Consequence - Sulphur*

It seems that the deeper you look, the worse the consequences of the Iran War get. Last week China imposed a ban on sulphuric acid exports. Have a look at the price chart below, which shows a doubling of the price of sulphuric acid over the last few weeks. Let's dig a bit deeper on sulphur in order to understand what we are dealing with.



It is a little known fact that the global economy is heavily dependent on sulphur for its many uses but almost nobody is paying attention to how fragile that sulphur supply chain has become. The Middle East region produces almost one

third of global sulphur supply with that coming from the decontamination of sour oil and gas, an environmental requirement. That sulphur is processed to produce sulphuric acid.

Analysts have described sulphuric acid production as a proxy for industrialisation: more acid means more fertiliser, more steel, more chemicals, and more cars. That rule of thumb still holds. The global sulphuric acid market was worth about US\$35bn in 2025 and is projected to reach roughly US\$53bn by 2034, growing at 4–5% p.a.

Sulphuric acid is the central processing acid of the industrial world. It is used to:

- digest phosphate rock into fertiliser,
- leach copper, nickel, and cobalt from ores,
- refine lithium and other battery materials and
- manufacture a vast range of bulk chemicals, from detergents to pigments.

About 60–70% of sulphuric acid demand still comes from agriculture, primarily phosphate fertilisers. When sulphuric acid digests phosphate rock, it doesn't just make phosphorus bio-available; it also leaves sulphur behind in the final fertiliser product.

Sulphur is an essential element for life. It is part of amino acids like cysteine and methionine, meaning it is literally part of the machinery that builds proteins in both plants and animals. Modern high-yield crops are effectively "sulphur-hungry" because they remove more sulphur from soils with every harvest. Ironically the older atmospheric pollution that used to supply sulphur via acid rain has been sharply reduced by environmental regulations.

Sulphuric acid prices have been rising since the start of the Iran conflict, as the effective closure of the Strait of Hormuz blocks sulphur shipments from the Middle East, where it's a product of oil and gas refining. The region produces one third of the world's sulphur, a raw material used to make sulphuric acid that's essential for some copper extraction and phosphate fertilisers.

The conundrum is stark. To decarbonise, we want to burn less oil and gas and clean up remaining fossil fuels more aggressively. But that same decarbonisation drive shrinks the pool of recovered sulphur that now feeds almost all sulphuric acid production essential for production of green metals. We need fossil fuels in order make green energy.

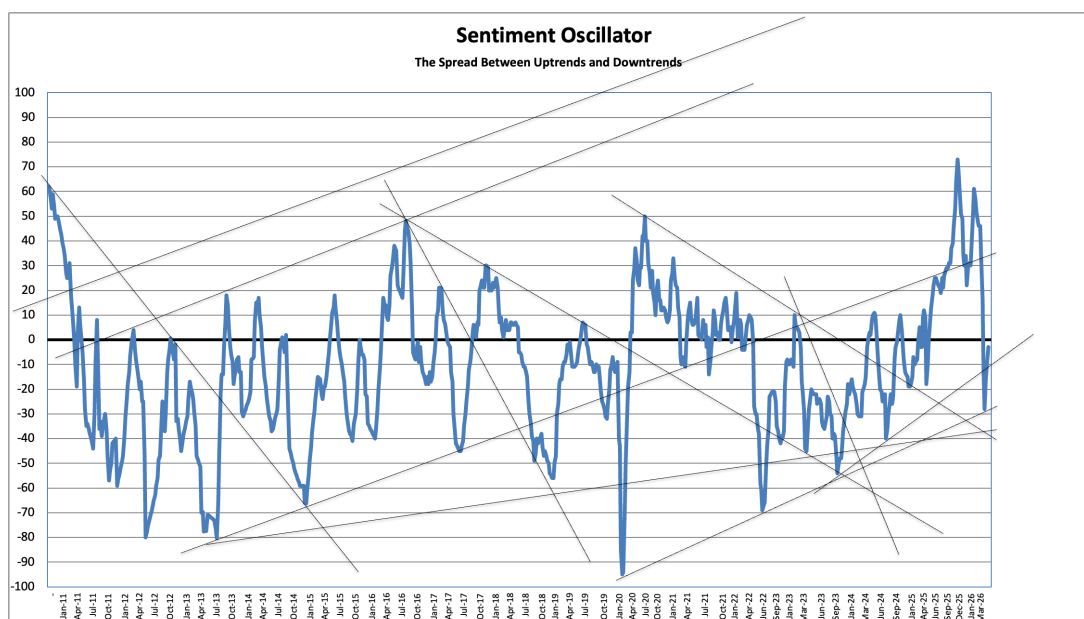
### Extreme Arrogance

Whilst in Hong Kong conferences last week I heard a gentleman on stage say that China was forced to weaponise supplies of critical metals because of "pushback". That blatant statement - a confession if you like - immediately raised my hackles.

So, in question time, I opined that his statement sounded like the bully in the playground was doubling down as if to say to Western companies "how dare you try and resist our efforts to control critical metals!"

His response was bizarre and certainly not diplomatic, embarking on a tirade denouncing the US policy of restricting advanced chip sales to China. He also accused the rest of the world with unfairly dumping rare earth concentrates into China because China had less stringent environmental standards, trying to make China seem like it was a reluctant participant and a victim. In reality, China was very willing to take the product as it fitted in with its strategy of securing iron fist control of the rare earths sector. It encouraged imports and Chinese processing as a means to denuding production capacity elsewhere ... and then it began to turn the screws with a weaponising strategy.

So in case you had any doubt, China is actively weaponising supply of critical metals. We all knew it, but now we have a blatant confession.



**Sentiment Oscillator:** Sentiment continued to recover last week. There were 36% (33%) of shares under coverage in uptrend, and 39% (43%) in downtrend.

## Detailed Chart Comments

*NB. Only the bold comments have been updated. Comments in grey type are from previous weeks and will be less relevant. Please note that this list is a cross section of the market. It IS NOT a list of recommendations.*

Indices	Code	Trend Comment	
All Ordinaries	XAO	rising again	
Metals and Mining	XMM	surge higher	
Energy	XEJ	correcting lower	
Stocks	Code	Trend Comment (updated comments in bold)	Main Interest
Aguia Resources	AGR	testing uptrend	phosphate, gold
Akora	AKO	testing uptrend	iron ore
Alkane Resources	ALK	approaching highs again	gold
Alicanto Minerals	AQI	recovering uptrend	base metals, silver, gold
Alligator Energy	AGE	testing downtrend	uranium
Almonty Industries	All	surge to new high	tungsten
Alpha HPA	A4N	down	HPA
American Rare Earths	ARR	down	rare earths
American Tungsten & Antimony	AT4	down	antimon
Anax Metals	ANX	recovering uptrend	copper
Andean Silver	ASL	rising again	silver
Arafura Resources	ARU	shallower uptrend	rare earths
Ardea Resources	ARL	testing support line	nickel
Ark Mines	AHK	down	rare earths
Astral Resources	AAR	breaking downtrend	gold
Aureka	AKA	weaker	gold exploration
Auric Mining	AWJ	testing uptrend	gold
Aurora Energy Metals	1AE	strong rally	uranium
Aurelia Metals	AMI	improving	copper + base metals
Aurum Resources	AUE	correcting lower	gold exploration
Australian Gold and Copper	AGC	testing support line	base metals, silver, gold
Australian Rare Earths	AR3	collapse through support	rare earths
Australian Strategic Materials	ASM	down	rare earths
BHP	BHP	back in uptrend	diversified, iron ore
Ballard Mining	BM1	testing short term downtrend	gold
Ballymore Resources	BMR	down	gold exploration
Barton Gold	BGD	testing downtrend	gold exploration
Beach Energy	BPT	pushing higher	oil and gas
Beetaloo Energy	BTL	surge higher	gas
Bellevue Gold	BGL	recapturing uptrend	gold
Besra Gold	BEZ	off its highs	gold
Black Cat Syndicate	BC8	down	gold
Boab Metals	BML	heavy correction	silver/lead
Brazilian Rare Earths	BRE	heavy pullback	rare earths
Brightstar Resources	BTR	strong rally	gold


















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Caravel Minerals	CVV	testing downtrend	copper
Carnaby Resources	CNB	testing downtrend	copper
Castile Resources	CST	down	gold/copper/cobalt
Catalyst Metals	CYL	down	gold
Cazaly Resources	CAZ	down	rare earths
Centaurus Metals	CTM	new high	nickel/cobalt/HPA
Challenger Gold	CEL	testing support line	gold
CNG Resources	CGR	down	gold exploration
Cobalt Blue	COB	down	cobalt
CuFe	CUF	down	bismuth
Cyprium Metals	CYM	down	copper
Emmerson Resources	ERM	new high	gold
EQ Resources	EQR	strongly higher	tungsten
Estrella Resources	ESR	sideways	manganese
Evolution Mining	EVN	rising	gold
Felix Gold	FXG	down	gold exploration, antimony
Finder Energy	FDR	surge through downtrend	oil/gas
First Graphene	FGR	down	graphene
Flagship Minerals	FLG	new high	gold
Genesis Minerals	GMD	recovering	gold
Globe Metals and Mining	GBE	higher again	niobium
Gold 50	G50	down	gold exploration + gallium
Golden Horse	GHM	down	gold exploration
Great Boulder Resources	GBR	recovering	gold exploration
Green360 Tech	GT3	slump to lows	kaolin
Hamelin Gold	HMG	down	gold exploration
Hawk Resources	HWK	weaker	scandium
Heavy Minerals	HVY	breached downtrend	garnet
Hillgrove Resources	HGO	breaching downtrend	copper
Iltani Resources	ILT	down	antimony
Iluka Resources	ILU	rising again	mineral sands
Investigator Resources	IVR	falling	silver
Jupiter Mines	JSM	breached uptrend	manganese
Kairos Minerals	KAI	recaptured uptrend	gold
Kaiser Reef	KAU	correcting	gold
Kingfisher Minerals	KFM	rising	copper expl.
Kalamazoo Resources	KRZ	down	gold
Kalina Power	KPO	down	data centre power
Koba Resources	KOB	testing downtrend	uranium
Larvotto Resources	LRV	testing uptrend	gold, antimony
Litchfield Minerals	LMS	down	copper exploration
Lindian Resources	LIN	rising	rare earths + bauxite
Lode Resources	LDR	down	antimony, silver
Lotus Resources	LOT	longer term downtrend	uranium

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Lynas Corp.	LYC		surge higher	rare earths
Mammoth	M79		down	gold exploration
Many Peaks	MPK		new high	gold exploration
Marmota	MEU		down	gold/uranium exploration
Matsa Resources	MAT		down	gold
Meeka Gold	MEK		down	gold
MetalsX	MLX		testing downtrend	tin, nickel
Meteoric Resources	MEI		on support line	rare earths
Metro Mining	MMI		sideways	bauxite
Midas Minerals	MM1		down	lithium
Mithril Silver & Gold	MTH		strong rally	silver, gold
Native Mineral Resources	NMR		turning down	gold
New Murchison	NMG		down	gold
New World Resources	NWC		rising	copper
Nexgen Energy	NXG		breaching uptrend	uranium
Novo Resources	NVO		placement & heavy correction	gold exploration
Omega Oil	OMA		rising	oil
Pacific Gold	PGO		down	gold exploration
Pacific Lime & Cement	PLA		sideways	renewables, cement
Paladin Energy	PDN		new high	uranium
Pantoro Gold	PNR		breached downtrend	gold
Patriot Battery Metals	PMT		breached downtrend	lithium
Peninsula Energy	PEN		heavy correction	uranium
Perseus Mining	PRU		down	gold
PolarX	PXX		down	gold exploration, base metals
QMines	QML		down	copper
QPM Energy	QPM		down	gas power station
Regis Resources	RRL		down	gold
Revolver Resources	RRR		softer	copper
Richmond Vanadium	RVT		spiked higher	vanadium
RIO	RIO		new high	diversified, iron ore
Rox Resources	RXL		testing uptrend	gold
RTG Mining	RTG		testing uptrend	copper
Rumble Resources	RTR		rising	zinc, gold, tungsten exploration
S2 Resources	S2R		down	gold exploration
Santana Minerals	SMI		correcting lower	gold
Santos	STO		rising	oil/gas
Sarytogan Graphite	SGA		down	graphite
Scorpion Minerals	SCN		softer	gold exploration
Siren Gold	SNG		down	gold exploration
Skylark Minerals	SKM		down	gold exploration
Somerset Minerals	SMM		back to support line	copper exploration
Southern Palladium	SPD		rising	PGMs
Stanmore Coal	SMR		heavy slump	coal

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St George Mining	SGQ		testing uptrend	rare earths, niobium
Stellar Resources	SRZ		on support line	tin
Sun Silver	SS1		down	silver
Sunrise Metals	SRL		surge higher	scandium
Talga Resources	TLG		down	graphite
Tamboran Resources	TBN		rising	gas
Theta Gold	TGM		breaching downtrend	gold
Toro Energy	TOE		rising again	uranium
Torque Metals	TOR		surge on management changes	gold exploration + lithium
Toubani Resources	TRE		steep rise	gold
Verity Resources	VRL		testing downtrend	gold
Vertex Minerals	VTX		down	gold
Waratah Minerals	WTM		regaining uptrend	gold exploration
Westgold Resources	WGX		breached downtrend	gold
West Wits Mining	WWI		correcting lower	gold
Whitehaven Coal	WHC			coal
White Cliff Minerals	WCN		down	copper exploration
WIN Metals	WIN		down	gold
Yandal Resources	YRL		down	gold exploration
Totals	36%	51	Uptrend	
	39%	55	Downtrend	
		142		

### Guides to Chart Interpretations

- Charts usually go pass from one trend (up or down) into the other via a period of indecision and uncertainty during which the trend can either recover or change. This period is signified by the orange colour. The orange represent both the greatest risk and greatest reward possibilities.
- Once a chart is in confirmed up or downtrends it is not uncommon for 10-20% of that trend to have already transpired.
- There are trends within trends. The focus of this chart review is the immediate trend that affects the sentiment i.e. it can be a downtrend within a long-term uptrend.
- Not every chart warrants a new comment every week. The new comments are in bold type. Grey type comments may be dated.
- Individual charts provide a single view. It is valuable to look at charts of other companies in similar commodities, and the overall sentiment is also very valuable. Not many stocks can swim against the tide.
- We periodically add or delete charts, some times for obscure reasons. If a chart consistent gives poor signals or is very erratic, we may delete it. Sometimes we add a chart because we want to see what all the fuss is about. We do have a preference for charting stocks that we cover in our research as well.
- Errors and omissions may occur from time to time, especially in fast moving markets.

Amber Lights in Tables: Just a reminder if when the amber light is used in the table – it is when the charts are ambiguous or when there is a change of trend taking place. If a chart is breaching a downtrend it can either be a positive sign or a trap. Only once it has done more work can it be confirmed as a new uptrend. Maybe it is a new uptrend (or conversely a new downtrend); the risk takers can decide to jump on board early (or sell). They will maximise their profits (or minimise their losses if indeed it is the start of the new uptrend (downtrend). More risk-averse investors should wait a little longer, being prepared to give up some of the gains in return for greater certainty.

Weightings of Sectors Represented in the Company Charts			
Sector	No. of Companies	Weighting	
Gold	34	23.9%	
Gold Exploration	25	17.6%	
Copper	14	9.9%	
Rare Earths	11	7.7%	
Uranium	8	5.6%	
Oil/Gas/Hydrogen	6	4.2%	
Silver	6	4.2%	
Iron Ore/Manganese	5	3.5%	
Antimony	4	2.8%	
Lithium	2	1.4%	
Graphite/graphene	3	2.1%	
HPA/Kaolin	2	1.4%	
Nickel	2	1.4%	
Scandium	2	1.4%	
Tungsten	2	1.4%	
Tin	2	1.4%	
Coal	2	1.4%	
Bismuth	1	0.7%	
Niobium	1	0.7%	
Potash/Phosphate	1	0.7%	
Vanadium	1	0.7%	
PGMs	1	0.7%	
Mineral Sands	1	0.7%	
Bauxite	1	0.7%	
Cobalt	1	0.7%	
Other	4	2.8%	
Total	142		

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