MARQUIS QUARTERLY

Q2 2026 · Research and Perspective

Bulk Commodities and the Growth Imperative

Why steel, aluminium, energy and infrastructure remain central to economic development, productive capacity and rising living standards.

MARQUIS HOLDINGS

Q2 2026

Publication note

Marquis Quarterly is the periodic research and perspective publication of Marquis Holdings. It is prepared for a professional audience across finance, mining, government and institutions. Each edition examines the physical foundations of economic growth: bulk commodities, infrastructure and power, and the conditions under which resource development can support durable prosperity in host nations.

This edition presents the Marquis perspective on bulk commodities and the growth imperative. Our position is positive but disciplined. Growth is necessary, yet its quality, governance and distribution determine whether it improves living standards. We favour major assets that can sit within integrated operating platforms, support long term economic activity and contribute to the productive capacity of their host nations.

Contents

01 · Executive summary

Growth has a physical foundation

Economic growth has a physical foundation. Every modern economy depends on reliable power, transport, housing, water, communications and productive industry. Those systems are built from bulk commodities and sustained by infrastructure. As economies mature the pattern of demand changes, yet the need for physical capacity does not disappear.

The current outlook is constructive rather than exuberant. The World Bank projects its metals and minerals price index to rise 17 percent in 2026[1], citing tight supply and strong demand from established industries and newer sources of consumption. The World Steel Association expects global steel demand to reach 1,724 million tonnes in 2026 and 1,762 million tonnes in 2027[2], with developing Asia and Africa providing important sources of growth. The International Energy Agency forecasts global electricity demand growth of 3.7 percent in 2026[3], supported by industry, cooling, data centres and electrification.

These indicators do not imply that every commodity will rise continuously or that cycles have ended. They recognise that the structural need for material supply remains intact, while new mines, power systems, railways and ports are increasingly difficult and expensive to develop. Sustained real gross domestic product growth remains indispensable: it expands the base from which wages, employment, public revenue, investment and essential services can grow.

> Our outlook is positive, but disciplined. Growth is necessary. Its quality, governance and distribution decide whether it improves living standards, in every economy, including the host nations in which major projects are developed.

WHAT THIS EDITION ARGUES

Demand is changing, not disappearing.	Bulk commodities remain essential because economic development requires physical stock across construction, industry, agriculture and digital infrastructure.
Growth must be built.	Infrastructure and bulk commodities should be considered together. A deposit without power, transport and market access is not an operating asset.
Host nations can share the value.	Well structured projects can support employment, skills, fiscal revenue, export earnings and infrastructure that serves other users.
Discipline, not retreat.	Cyclical and execution risks are real. They argue for selectivity toward assets with long lives, competitive economics and resilient capital structures.

SOURCES

1 World Bank, Commodity Markets Outlook, April 2026.
https://blogs.worldbank.org/en/developmenttalk/the-commodity-markets-outlook-in-eight-charts3

2 World Steel Association, Short Range Outlook, April 2026.
https://worldsteel.org/media/press-releases/2026/worldsteel-short-range-outlook-april-2026/

3 International Energy Agency, Electricity Mid Year Update 2025.
https://www.iea.org/reports/electricity-mid-year-update-2025/demand-global-electricity-use-to-grow-strongly-in-2025-and-2026

02 · Outlook indicators

A constructive Q2 2026 backdrop

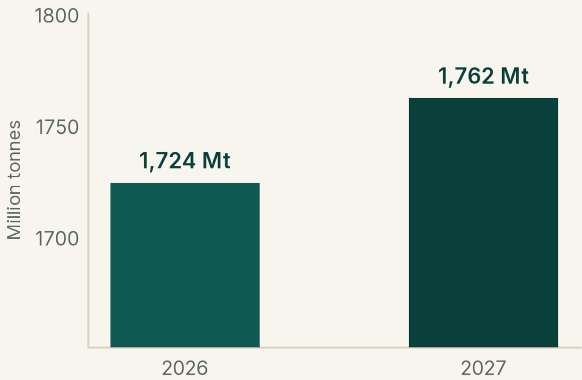
The indicators below frame the quarter. They are drawn from published forecasts by the World Bank, the World Steel Association and the International Energy Agency. Together they describe a market that is recovering from a period of structural adjustment, supported by developing economies, electrification and continued infrastructure need.

+17%
World Bank forecast rise in its metals and minerals price index for 2026
SOURCE 1

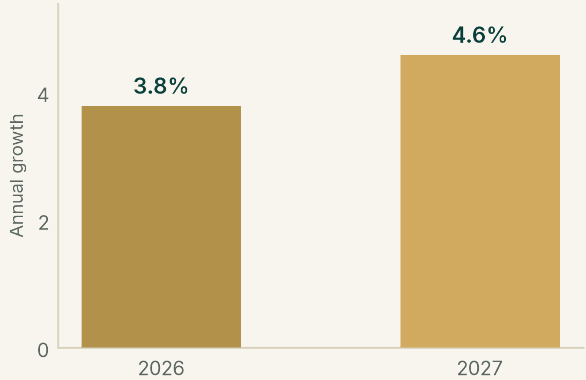
1,724 Mt
Worldsteel forecast global steel demand in 2026, rising to 1,762 Mt in 2027
SOURCE 2

+4.6%
Worldsteel forecast African steel demand growth in 2027, after 3.8% in 2026
SOURCE 2

+3.7%
IEA forecast global electricity demand growth in 2026
SOURCE 3



Global steel demand, million tonnes



African steel demand, annual growth

Worldsteel describes global demand as moving beyond a period of structural adjustment, with developing Asia and Africa providing important sources of growth[2]. India remains the fastest growing major steel market, driven by infrastructure, rail expansion, construction and rising industrial activity.

SOURCES
1 World Bank, Commodity Markets Outlook, April 2026.
https://blogs.worldbank.org/en/developmenttalk/the-commodity-markets-outlook-in-eight-charts3
2 World Steel Association, Short Range Outlook, April 2026.
https://worldsteel.org/media/press-releases/2026/worldsteel-short-range-outlook-april-2026/
3 International Energy Agency, Electricity Mid Year Update 2025.
https://www.iea.org/reports/electricity-mid-year-update-2025/demand-global-electricity-use-to-grow-strongly-in-2025-and-2026

03 · The essential proposition

Bulk commodities are the material of development

Economic growth has a physical foundation. Every modern economy depends on reliable power, transport, housing, water, communications and productive industry. Those systems are built from bulk commodities and sustained by infrastructure.

Steel and aluminium are sometimes described as mature materials. That description confuses age with relevance. They remain essential because economic development requires physical stock. Cities require buildings and transport networks. Industry requires power and logistics. Agriculture requires machinery, storage and access to markets. Digital infrastructure requires electricity, construction materials and expanding grids.

Demand changes as economies mature, but the need for physical capacity does not disappear. It shifts from first construction toward expansion, replacement, resilience and new forms of infrastructure. The material intensity of an advanced economy is different from that of an emerging one, yet it is not absent. Renewal, resilience and electrification all require metal, energy and civil works.

> Steel and aluminium are not relics of an older economy. They are the stock from which cities, grids, railways and industry continue to be built and renewed.

Where physical stock is required

Cities	Buildings, transport networks, water and sanitation systems that expand with urban populations.
Industry	Power, logistics and plant that convert raw inputs into productive output and employment.
Agriculture	Machinery, storage and market access that raise yields and reduce post harvest loss.
Digital infrastructure	Electricity, construction materials and expanding grids beneath every data centre and network.

04 · Demand is changing

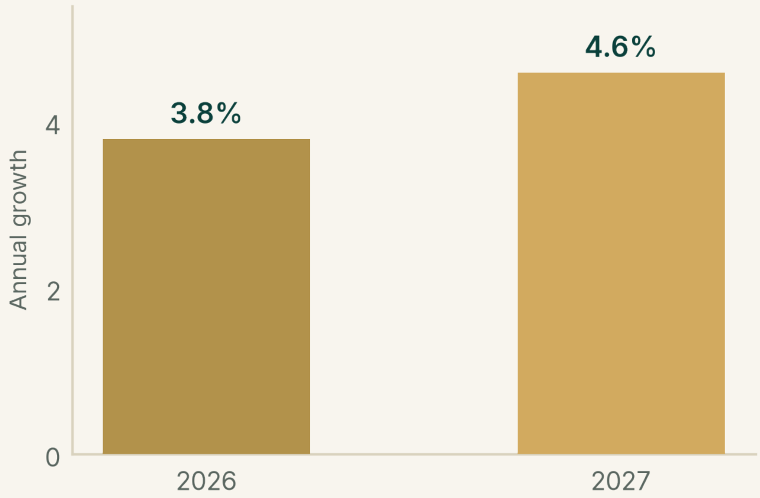
Changing, not disappearing

The current outlook is constructive rather than exuberant. The World Steel Association expects global steel demand to grow modestly in 2026 and accelerate in 2027, reaching 1,724 million tonnes and 1,762 million tonnes respectively[2]. It describes global demand as moving beyond a period of structural adjustment, with developing Asia and Africa providing important sources of growth.

Africa is particularly significant. Worldsteel forecasts African steel demand growth of 3.8 percent in 2026 and 4.6 percent in 2027[2], supported by urbanisation, infrastructure development and economic diversification. India remains the fastest growing major steel market, driven by infrastructure, rail expansion, construction and rising industrial activity.

The outlook for aluminium and other industrial metals is also supported by both traditional and emerging uses. The World Bank projects its metals and minerals price index to rise 17 percent in 2026, citing tight supply and strong demand from established industries and newer sources of consumption[1].

African steel demand growth, annual, per cent



This is not a claim that every commodity will rise continuously or that cycles have ended. It is a recognition that the structural need for material supply remains intact, while new mines, power systems, railways and ports are increasingly difficult and expensive to develop. Supply is slow to add; demand, though cyclical, is durable.

SOURCES

1 World Bank, Commodity Markets Outlook, April 2026.
https://blogs.worldbank.org/en/developmenttalk/the-commodity-markets-outlook-in-eight-charts3

2 World Steel Association, Short Range Outlook, April 2026.
https://worldsteel.org/media/press-releases/2026/worldsteel-short-range-outlook-april-2026/

05 · Growth must be built

Growth must be built

Gross domestic product is an imperfect measure, but sustained real GDP growth remains indispensable. It expands the economic base from which wages, employment, public revenue, investment and essential services can grow. Without growth, arguments about distribution too easily become arguments over a fixed pool.

Growth alone is not enough. Its quality, durability and distribution matter. Productivity matters. Institutions matter. Environmental and social performance matter. But economies cannot sustainably improve living standards through allocation alone. They must also increase productive capacity.

> We believe durable GDP growth is one of the most effective ways to expand opportunity in every economy, including the host nations in which major projects are developed.

That is why infrastructure and bulk commodities should be considered together. A mineral deposit without power, transport and market access is not an operating asset. A port without productive industry has limited value. Integrated development can convert a resource endowment into a wider economic platform, one that lowers costs and raises competitiveness across an economy.

The distinction between growth and quality of growth runs through this publication. Growth creates the capacity to improve services, wages and public investment. Quality, governance and distribution decide whether that capacity is realised. Both matter. Neither substitutes for the other.

06 · Host nations

Host nations and shared value

For host nations, the opportunity is larger than the extraction of a commodity. Well structured projects can support employment, skills, fiscal revenue, export earnings and infrastructure that serves other users. Power, road, rail and port capacity can lower costs across an economy and improve the competitiveness of domestic businesses.

The World Bank Africa Economic Update argues that stronger growth and job creation require investment, infrastructure, skills, finance and regional markets to work as part of a wider system. It also emphasises that industrial policy succeeds only when implementation is realistic and institutions are capable[4].

> Resource development does not automatically produce broad prosperity. Projects must be commercially viable, properly governed and connected to the wider economy.

Conditions for shared value

Commercial viability	Projects must earn a return through cycles so that investment, and the benefits that follow it, endure.
Durable fiscal terms	Stable and predictable terms allow host nations and investors to plan over the life of an asset.
Reliable infrastructure	Power, transport and logistics must provide dependable services to the asset and to the wider economy.
Capability building	Local participation should build lasting skills and enterprise, not satisfy a temporary target.

SOURCES

4 World Bank, Africa Economic Update, April 2026. https://www.worldbank.org/en/region/afr/publication/africa-economic-update

07 · Development model

A constructive development model

Marquis Holdings believes that responsible resource development should align the interests of investors, operating companies and host nations over the long term. Five principles guide that view.

01	**Commercial discipline**	Projects must be able to sustain investment through commodity and financing cycles.
02	**Integrated infrastructure**	Energy, logistics and market access should be developed as part of the economic system around the asset.
03	**Operating capability**	Capital should be matched by management, governance and technical execution.
04	**Local economic value**	Employment, skills, procurement and shared infrastructure should strengthen the host economy.
05	**Long term alignment**	Stable partnerships are more valuable than short term optimisation by any single participant.

These principles are deliberately conservative. They favour assets and partnerships that can endure, over structures that optimise a single moment in the cycle. Alignment over time, rather than advantage at a point in time, is the more durable source of value for investors and host nations alike.

08 · Electricity and risk

Electricity reinforces the thesis

The material intensity of growth is not limited to conventional construction. The International Energy Agency forecasts global electricity demand growth of 3.7 percent in 2026[3], supported by industry, cooling, data centres and electrification.

Electricity growth requires generation, transmission, distribution and storage. Those systems require steel, aluminium, copper, energy and large scale civil works. The digital economy is not weightless. It rests on a growing physical foundation.

> The digital economy is not weightless. Every data centre and network rests on generation, grids and the metals that build them.

The risks remain real

A positive long term outlook does not remove cyclical or execution risk. China remains central to many commodity markets. Trade restrictions can redirect flows. High financing costs can defer development. Permitting, community alignment and infrastructure constraints can delay supply. Poorly structured projects can destroy value even when the macro thesis is correct.

These risks argue for selectivity, not retreat. The most resilient positions are likely to be assets with long lives, competitive operating economics, credible infrastructure and capital structures capable of surviving volatility.

Concentration	China remains central to many commodity markets, shaping prices and flows.
Trade policy	Restrictions can redirect trade and disrupt established supply chains.
Financing cost	Elevated capital costs can defer or cancel otherwise viable development.
Delivery	Permitting, community alignment and infrastructure gaps can delay new supply.

SOURCES

3 International Energy Agency, Electricity Mid Year Update 2025.
https://www.iea.org/reports/electricity-mid-year-update-2025/demand-global-electricity-use-to-grow-strongly-in-2025-and-2026

09 · The Marquis view

The Marquis view

Bulk commodities remain essential because growth remains essential. The world still needs more power, transport, housing, industrial capacity and resilient infrastructure. Developing economies need to build productive stock. Advanced economies need to renew it. New industries add further requirements rather than replacing the old ones.

Our outlook is therefore positive, but disciplined. We favour major assets that can sit within integrated operating platforms, support long term economic activity and contribute to the productive capacity of their host nations.

Growth is not guaranteed. It must be financed, built and operated. Bulk commodities are among its most fundamental inputs. The discipline lies in selecting the assets, partnerships and structures that can endure, and in ensuring that the growth they enable is shared with the economies that host them.

> Growth is not guaranteed. It must be financed, built and operated. Bulk commodities are among its most fundamental inputs.

Marquis Holdings, Research and Perspective
Marquis Quarterly, Q2 2026

10 · Important information

Sources and important information

SOURCES

1 World Bank, The Commodity Markets Outlook in eight charts, April 2026. https://blogs.worldbank.org/en/developmenttalk/the-commodity-markets-outlook-in-eight-charts3

2 World Steel Association, Short Range Outlook, April 2026. https://worldsteel.org/media/press-releases/2026/worldsteel-short-range-outlook-april-2026/

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4 World Bank, Africa Economic Update, April 2026. https://www.worldbank.org/en/region/afr/publication/africa-economic-update

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