

MSE PERSPECTIVES · 2026

Sol et Luna

The commodity value chain, seen as a whole

Johann Böttger promised Augustus the Strong gold. What came out was porcelain.

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The Elector kept the young alchemist, until lately an apothecary's apprentice, under lock and key in Dresden and waited for gold. Working beside Böttger were Tschirnhaus, a mathematician who had spent years melting stone at the focus of burning mirrors, and Saxon miners who knew where in their mountains the white clay lay. In 1708 the knowledge of the chemist, the mathematician and the miners came together, and out of the kiln emerged the first hard-paste porcelain in Europe - the very porcelain for which China had been paid in silver for centuries. People called it white gold. The Meissen manufactory makes it to this day.

Taken separately, none of these yielded porcelain: not Böttger's chemistry, not Tschirnhaus's mirrors and kilns, not the miners' clay. It came only when they were joined, and the only person who could have seen that possibility was one who saw all three together. And all the while they had been looking for gold.

Commodity trading works the same way. A deal rests on three fields of knowledge: sector expertise, logistics and trading infrastructure. Each has its own specialists, its own professional language and its own weak points. A deal is usually run by people who know one field deeply and are at home in a second. The third is, as a rule, left to someone else. That is why deals most often fail not inside one field but at the seam between two. Where one specialist's competence ends, nobody knows what the next step will require. The only person who could see it coming is a specialist of a different kind: one who keeps all three fields in view from the start.

What follows takes the three in turn. But they are not three separate services. They are three lenses trained on the same deal. As in a telescope, a sharp image comes not from one lens but from all three together. Their names are Latin: Sol is the Sun, Luna the Moon, Lux the Light.

I. Sol - Industry sectors

The commodity itself is the Sun of this system. As in Copernicus, it stands at the centre, and everything else - freight, financing, regulation, counterparty risk - revolves around it. Aluminium premiums obey different laws from freight rates on cement clinker. Emissions from fuel ethanol under RED III are calculated on an entirely different basis from the carbon cost of imported steel under CBAM. Gallium and rare earths are equally exposed to Chinese export controls, yet gallium is recovered as a by-product at alumina refineries, while rare earths need mines and separation plants of their own. Every commodity has its own market, its own rules and its own bottlenecks in logistics.

Most companies make the mistake of treating sector expertise as secondary: the product desk looks after it while others run the deal. In fact it is the first lens. Through it, logistics stops being a cost line and becomes an instrument of financing, and a regulator's requirement becomes an advantage over competitors. Without it, the other two lenses have nothing to focus on.

To an alumina refinery, red mud is a burden: it sits for years in residue ponds, and that costs money. A specialist who knows several industries at once sees in it feedstock for a cement plant and a source of rare metals. The value was always there. It simply went unnoticed, because everyone was looking only from their own side.

II. Luna - Terminals, ports, and logistics

The industry's habit of treating logistics as a cost centre is not just an accounting convention. It is a fundamental misreading of what a deal is. It closes off access to financing, eats into the margin and strips a company of what sets it apart from its competitors. And usually nobody notices until a deal falls through.

The same commodity can turn out to be two different assets. In an ordinary warehouse without independent oversight it is simply stock. At a terminal, where an independent surveyor confirms weight and quality, the cargo is insured and a collateral manager answers for its safekeeping, the same commodity becomes collateral against which a bank will lend. On that difference hangs whether a deal gets trade finance in a particular jurisdiction, for a particular counterparty and at the very moment the deal cannot do without it.

The Moon has no light of its own: it reflects the Sun's and illuminates what would otherwise stay in the dark. Terminal infrastructure does the same. A warehouse receipt, properly arranged insurance and an independent check of weight and quality make the commodity legible to a bank. In markets where nobody would lend against the commodity alone, a reliable terminal turns the bank's "no" into a "yes".

Delivery on time and in full, accurate loading, impeccable documents - these are not merely operational metrics. Commercial trust is built out of them, and trust is the one advantage in a commodity market that no price can beat. A client who receives their cargo on time, shipment after shipment, without a single discrepancy, will not walk away over two dollars of premium. Good logistics is the best client service there is.

III. Lux - Trading infrastructure

A producer in Central Asia and a buyer in Western Europe have agreed on price, specification and delivery terms. So far that is only a conversation. What turns it into a deal is trading infrastructure: a Swiss-law SPV that ring-fences the deal from outside risks, screening against the sanctions lists of SECO, OFAC, the EU and the UN, counterparty due diligence under the Swiss Anti-Money Laundering Act, ISCC EU certification and CBAM-ready carbon accounting.

Each element here is load-bearing. Remove any one and the deal does not slow down. It stops.

The clearest example today is CBAM. It shows what happens when trading infrastructure is viewed from the standpoint of the sector and of logistics together, rather than separately. To someone who sees in CBAM only a compliance requirement, it is a cost: a declaration, certificates, a burden. To someone who sees in it part of the architecture of the deal, it is a price signal built into the commodity itself. A producer with a verified low-carbon supply chain gains a cost advantage at the EU border, and that advantage is structural: competitors cannot close it however hard they bargain over freight. The carbon intensity of a shipment is becoming part of its price. Those who saw this in time are already writing the carbon component into their offtake contracts. Those who see it too late will pay the difference.

Trading infrastructure is the most technically demanding layer of the chain. It calls for a simultaneous command of Swiss corporate law, international trade finance, the regulations of several jurisdictions, sustainability certification schemes and the commercial practice specific to the commodity in question. It is also the least visible layer. That is why the largest sums are lost here, and why it is here that a properly built infrastructure most sharply separates those who can execute a deal from those who cannot.

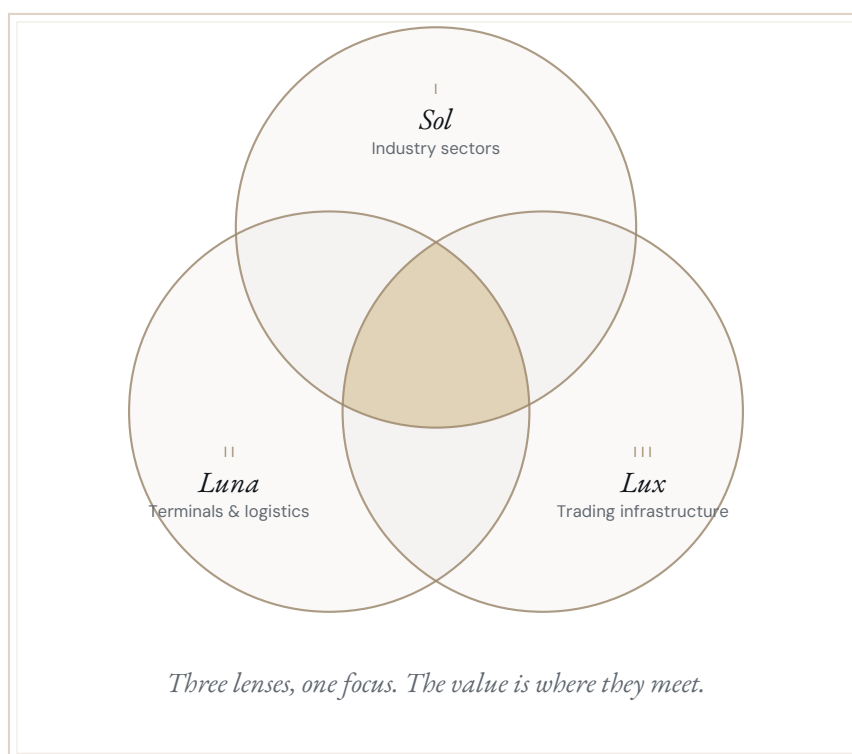
A single whole

A deal rarely fails because one link is missing. It fails because it is run in turn by people whose competence ends exactly where the neighbouring field begins. The sector specialist prepares the product. The logistics people move it. Compliance gives the go-ahead. Each sees their own stretch clearly. Nobody sees the deal whole - and nobody, confined to their own place in the chain, can grasp all its finer points.

Value is lost at every handover. But the problem runs deeper and starts earlier: when a deal is run in pieces, nobody sees the opportunities that open up only when it is looked at in the round. To turn waste into feedstock, stock into collateral, a carbon obligation into a price advantage - such solutions will not be found by the next specialist down the chain. They are seen only by someone who looks at the deal through all three lenses from the start, before it is carved up.

In Dresden the work was not passed from hand to hand. The chemist, the mathematician and the miners worked in one laboratory at the same time, and what none of them had on their own was born of their common effort. Porcelain was not the simple sum of three kinds of knowledge. It came about because someone saw the transformation before it happened.

Sol, Luna and Lux are not steps to be taken one after another. They are lenses to be looked through together. When all three are in focus, the deal looks different, and solutions appear that could not otherwise be seen.



For any company that moves goods across borders, this is not a philosophical question. It is a steady loss. A deal run like a relay race loses margin at every handover. And with the margin goes, quietly and before anyone can object, what only a person looking through all three lenses at once could have seen. None of it turns up on an invoice. It surfaces later: in the deal closed at a discount, in the financing that could have been structured but never was, in the carbon obligation accepted as a cost rather than turned into an advantage. And with each successive deal the losses grow, like compound interest.

MSE is built on this principle. The firm treats sector expertise, logistics and trading infrastructure not as three functions to be coordinated with one another but as a single whole, held in one pair of hands from the start. That is why MSE works under a single mandate and does not pass a deal from one specialist to another. And the value lost in such handovers is precisely the value the firm exists for.

*The white gold was always there. The only question is whether there is someone in the room
who can see it.*

About Metal Supply Experts. MSE GmbH is a Swiss commission agent based in the canton of Zug. Its main fields are metals, mining, building materials, energy, biofuels and advanced industrial materials. For institutional counterparties worldwide the firm structures cross-border transactions, supply chains and trade finance and keeps them compliant with regulatory requirements.

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