



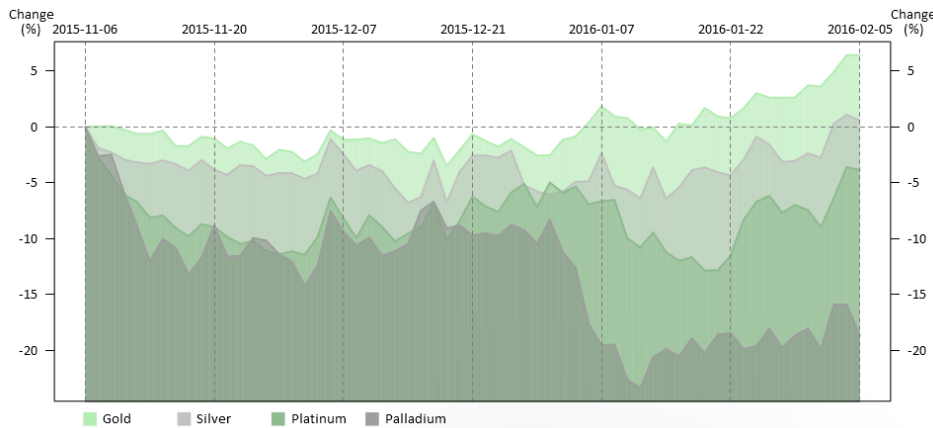
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09/02/2016



# Weekly Commodity Overview

# Precious Metals Jump on Mixed US Jobs Report



**Gold** rose on Friday on the back of the mixed US employment report for January that revealed the rate of job creation slowed over the last month, while wage growth increased, which, in turn, supported the outlook for inflation and raised concerns that the Fed might still hike interest rates several times this year. On the Comex division of the New York Mercantile Exchange, gold futures for delivery in April settled at \$1,157.80 a troy ounce by the end of Friday's trade, gaining 20 cents compared to the Thursday's close of \$1,157.60. Over the course of the whole trading week, gold futures managed to tack on, closing 3.7% higher compared to the previous week's end price and posting the third consecutive week of gains on the Comex. Meanwhile, yellow metal's is up around 6.03% so far in January amid bolstered safe-haven demand, which was fueled by a slowdown in global growth, heightened volatility and the recent US Dollar weakness. However, the Fed's rate hike cycle as well as loose monetary policies from the other Central Banks will continue to support traders' demand for the Greenback, which will in turn be bearish for gold.

**Silver** futures for March delivery dipped on Friday, settling 7.5 cents, or 0.5%, lower at \$14.77 a troy ounce on the Comex division of the New York Mercantile Exchange by the end of trade. On the week, silver prices, however, managed to climb, adding 3.76%.

**Platinum** dropped at the end of the previous week, with metal's futures for April delivery falling \$3.30, or 0.4%, on Friday to settle at \$903 per ounce, however still being able to breach the psychologically important level of \$900 for the first time in the recent months. On the week, prices finished 3.36% higher on the New York Mercantile Exchange.

**Palladium** was at \$511.15 an ounce on Friday, down \$4.45 from the Thursday's close. Despite this drop, on the week, prices of the metal settled higher, gaining a modest 0.04% on the Nymex.

Price Changes (%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Gold	3.7	6.03	6.44	5.81	-8.45	-8.32
Silver	3.76	5.74	0.59	-0.29	-15.04	-14.06
Platinum	3.36	3.28	-3.86	-6.08	-27.06	-27.69
Palladium	0.04	-1.26	-18.64	-16.45	-36.89	-37.33

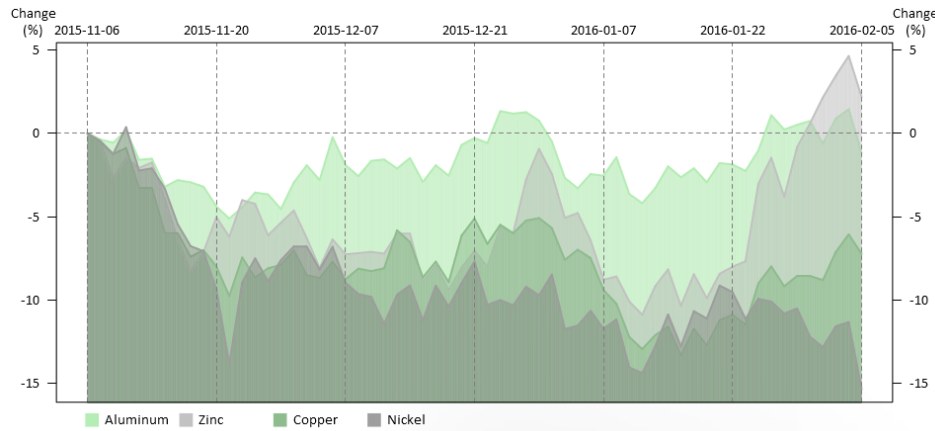
Changes in Total Known ETF Holdings (%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Gold	2.24	5.97	3.63	3.3	-6.43	-6.82
Silver	-0.09	-1.11	-1.63	-4.08	-4.09	-4.06
Platinum	-0.23	-1.98	-3.82	-18.07	-8.31	-8.1
Palladium	-1.5	-4.15	-7.77	-25.96	-24.69	-24.77

S&P GSCI Precious Metals Index	%
Weekly	3.71
Monthly	5.99
3 Months	5.73
6 Months	5.05
12 Months	-7.21

## Precious Metals Long-Term Price Forecasts (USD per ounce)

	Q1 16			Q2 16			Q3 16			Q4 16		
	Min	Max	Avg	Min	Max	Avg	Min	Max	Avg	Min	Max	Avg
Gold	950	1 534	1 128.48	960	1 375	1 114.75	960	1 400	1 123.71	925	1 400	1 128.04
Silver	12.67	25	15.73	12.3	22.3	15.63	12.3	23	15.93	12.5	24	16.05
Platinum	800	1 500	1 026.17	725	1 530	1 058.06	838	1 520	1 099.83	875	1 540	1 113.82
Palladium	490	950	623.45	475	950	658.2	525	950	697.07	560	950	731.63

# Industrial Metals Post Mixed Results on US Jobs Data



**Aluminum** reversed its gains on Friday, pulling back from highs posted on the week, after the news revealed the US economy added less jobs than expected. Metal's futures for delivery in April shed 2.1% compared to the previous session's end price, settling at \$1,500 a tonne on the London Metal Exchange. Following this downtrend, aluminum did not manage to close the prior trading week higher, posting a weekly decrease of 1.69% mainly on the news from the US coupled with the decline in prices on Chinese overproduction and exports. In the meantime, weak growth in emerging markets continues to dampen prices of the metal, leaving the outlook for the industrial metal uncertain.

**Copper** futures for delivery in March tumbled on Friday, losing 1.2%, to finish the trading session at \$4,630 a tonne on the back of uncertain US jobs report data, that fueled concerns that the first planned rate hike by the Fed might still take place as soon as March, boosting the Greenback ahead of the New Year's holiday in China. However, on the Comex division of the New York Mercantile Exchange, prices of the red metal managed to add, climbing 1.45% over the course of the prior trading week still based on expectations for fresh monetary policy easing in Asia and Europe. Meanwhile, copper has rebounded already around 7% since it hit six-and-a-half-year lows in mid-January. However, worries over economic uncertainty in China, the world's biggest copper consumer, continue making traders cut holdings of the industrial metal.

**Nickel** closed Friday on a down note, finishing 4.4% lower at \$8,160 on the LME, as US jobs data weighed. On the week, nickel futures slid 5.41% amid weak demand from China.

**Zinc** also reversed its gains on Friday, losing 2.2% compared to Thursday's close and settling at \$1,677 a tonne on the LME. As concerns the whole trading week, prices of zinc still rocketed 3%, being the best performer in base metals so far.

Price Changes (%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Aluminum	-1.69	1.29	-1.19	-4.21	-19.77	-20.1
Copper	1.45	0.28	-7.24	-10.27	-19.23	-19.36
Nickel	-5.41	-5.26	-15.36	-24.47	-46.09	-46.28
Zinc	3.04	9.22	2.2	-9.49	-21.41	-21.58

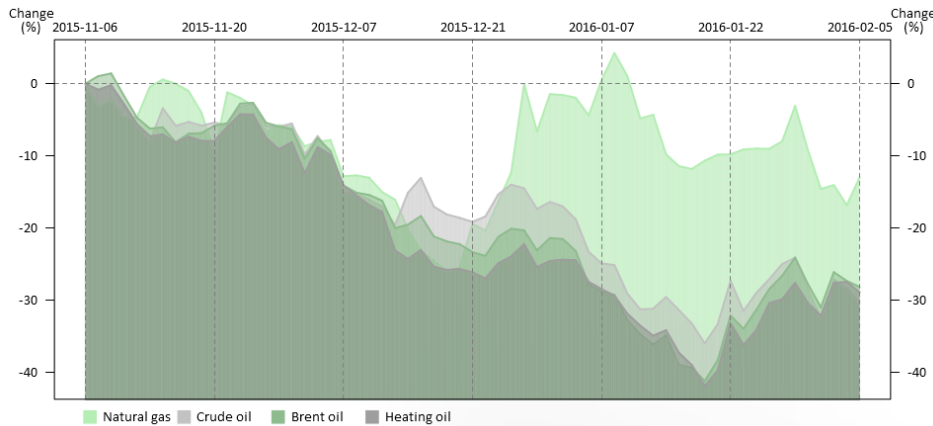
Changes in LME inventories(%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Aluminum	-0.99	-3.59	-7.65	-17.87	-30.5	-31.01
Copper	-5.14	-4.04	-12.19	-35.11	-23.1	-20.16
Nickel	-1.69	0.13	4.88	-3.36	3.03	3.52
Zinc	-2.11	1.51	-18.27	0.38	-22.35	-25

## Industrial Metals Long-Term Price Forecasts (USD)

	Q1 16			Q2 16			Q3 16			Q4 16		
	Min	Max	Avg	Min	Max	Avg	Min	Max	Avg	Min	Max	Avg
Aluminum	1 380	2 123	1 559.21	1 350	2 165	1 588	1 368	2 209	1 630.37	1 393	2 022	1 647.44
Copper	4 400	6 614	4 956.48	4 250	6 614	5 034.05	4 300	6 514	5 161.33	4 180	6 476	5 187
Nickel	8 200	19 504	10 803.78	7 495	20 504	11 146.28	8 449	21 255	11 657.5	8 726	21 755	11 942.65
Zinc	1 500	2 310	1 762	1 450	2 322	1 803.67	1 456	2 333	1 880.78	1 484	2 425	1 937.47

S&P GSCI Industry Metals Index	%
Weekly	0.25
Monthly	1.32
3 Months	-4.41
6 Months	-9.51
12 Months	-20.9

# Oil Tumbles on Stronger US Dollar



**Crude oil** finished lower by the close of a volatile week on Friday, as a broadly firmer US Dollar coupled with worries that crude oil oversupply will remain for longer weighed on investors' sentiment. A week earlier, indications that OPEC and non-OPEC oil producers may come closer to an agreement to decrease production in order to handle one of the most substantial supply gluts in decades caused prices of oil going up. However, last week, on the New York Mercantile Exchange, crude oil futures for delivery in March finished at \$31.01 a barrel on Friday, bringing daily drop to 2.25%, as the Dollar index increased to 96.98, off its multi-month lows recorded earlier. Over the course of the whole trading week, Nymex oil futures slid as much as 8.12%, posting the first weekly decline over the past three weeks. Meanwhile, New York-traded crude oil has tumbled nearly 9% since the beginning of the year.

**Brent oil** futures for delivery in April also slipped by the end of Friday's trade to settle at \$34.13 a barrel on the ICE Futures Exchange, which is down 0.96% on a daily basis. In the previous session, futures posted a jump; however prices did not manage to hold gains, bouncing back below \$35 a barrel. For the week, London-traded Brent oil futures declined 5.36%, posting the first weekly decrease in the last three weeks on the back of a stronger US Dollar, which renewed expectations for the first increase in interest rates by the Fed. Meanwhile, Brent prices are already down around 0.5% since the year started.

**Natural gas** futures continued to spike up, rising on Friday, as indications for colder weather across the US in the next two weeks boosted demand expectations. Despite that, on the Nymex, natural gas futures for March finished the week down as much as 10.23%, even though inventories in the United States fell by 152 billion cubic feet over the last week, missing the expectations for 158 billion drop.

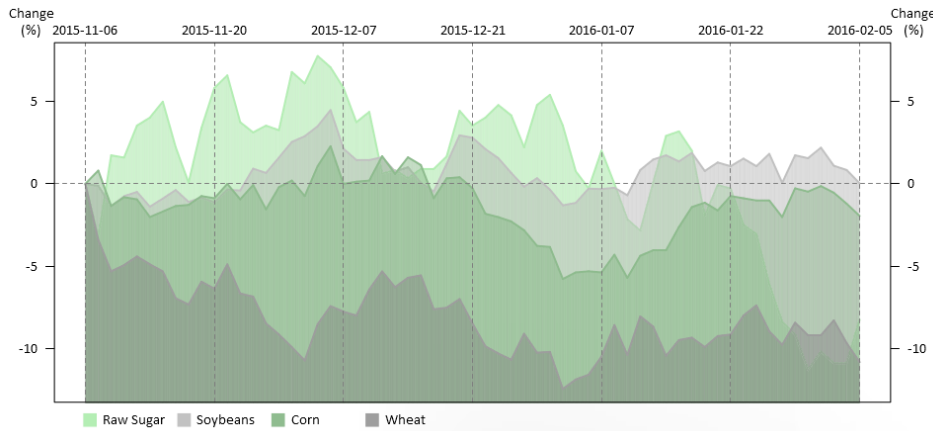
Price Changes (%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Crude oil	-8.12	-9.07	-30.26	-29.59	-36.24	-38.81
Brent oil	-5.36	-0.5	-28.17	-29.93	-37.11	-39.79
Natural gas	-10.23	-9	-12.99	-26.27	-22.5	-20.65
Heating oil	-1.83	-2.01	-28.91	-31.39	-40.05	-41.36

Changes in U.S. inventories (%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Crude oil	1.57	3.14	4.12	10.42	21.7	23.6
Gasoline	2.39	14.89	18.13	17.38	5.7	6.74
Natural Gas	-4.93	-21.88	-25.36	0.76	20.84	15.38
Distillate Fuel	-0.48	4.3	13.45	10.28	18.75	20.35

Energy Futures Long-Term Price Forecasts (USD)												
	Q1 16			Q2 16			Q3 16			Q4 16		
	Min	Max	Avg	Min	Max	Avg	Min	Max	Avg	Min	Max	Avg
Crude oil	29	87	45.74	30	95	48.05	36	85	51.5	38	90	52.45
Brent oil	30	95	48.16	30	100	50.42	37	90	53.79	34.5	95	53.77
Natural gas	33.81	42	38.16	30.59	38	34.32	28.98	38	33.8	35	44	39.28
Heating oil	106	162	137.67	117.9	150	139.3	129.8	170	153.93	147.6	195	176.2

S&P GSCI Energy Index	%
Weekly	-6.52
Monthly	-8.7
3 Months	-33.91
6 Months	-38.05
12 Months	-48.9

# Grains Finish Lower on Lack of Buying Interest



**Corn** slipped over the course of the previous trading week, being dragged down by a firmer Greenback and weak buying interest from investors' side. Moreover, weakness in wheat market traditionally continued to undermine prices of corn, while some analysts foresee the US government to raise its outlook for grain reserves on the back of lower-than-expected demand. At the Chicago Board of Trade, the most actively-traded corn futures for delivery in March posted a decline of 2.75 cents, or 0.8%, to settle at \$3.65 a bushel by the close of trade on Friday, while during the volatile week prices shed 1.68% compared to the previous week's end price.

**Wheat** prices dipped on Friday, being undermined mainly by a drop in corn market paired with a higher US Dollar and a relatively weak buying spree. At the Chicago Board of Trade, wheat futures for delivery in March, the best-traded contract, plunged 6 cents, or 1.3%, to finish Friday's session at \$4.66 a bushel, marking the worst close for a front-month contract since mid-January. Due to these losses, US grain prices slid on the week, finishing the trade 2.61% lower compared to the previous week's end price at the Chicago Board of Trade.

**Soybean** prices closed the last trading day of the prior week on a down note, dipping 0.4%, or 3 cents, to settle at \$8.70 a bushel by the end of Friday's trade at the Chicago Board of Trade amid strength in the value of the Greenback along with forecasts for rainfalls in Argentina, rival bean producer. Besides, concerns that the USDA might boost its outlook for US soybean stockpiles added negative sentiment in the market; therefore, on the week soybean futures for delivery in March shed 1.67%.

**Raw sugar** was the best performer of the last week on the grain market, with the most actively-traded raw sugar futures jumping 0.99% at the Chicago Board of Trade.

Price Changes (%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Corn	-1.68	3.54	-1.94	-4.69	-4.63	-5.06
Wheat	-2.61	0.86	-10.8	-8.57	-8.66	-11.22
Soybeans	-1.67	0.32	0.03	-9.94	-10.75	-11.59
Raw Sugar	0.99	-7.98	-8.23	11.42	-18.49	-17.68

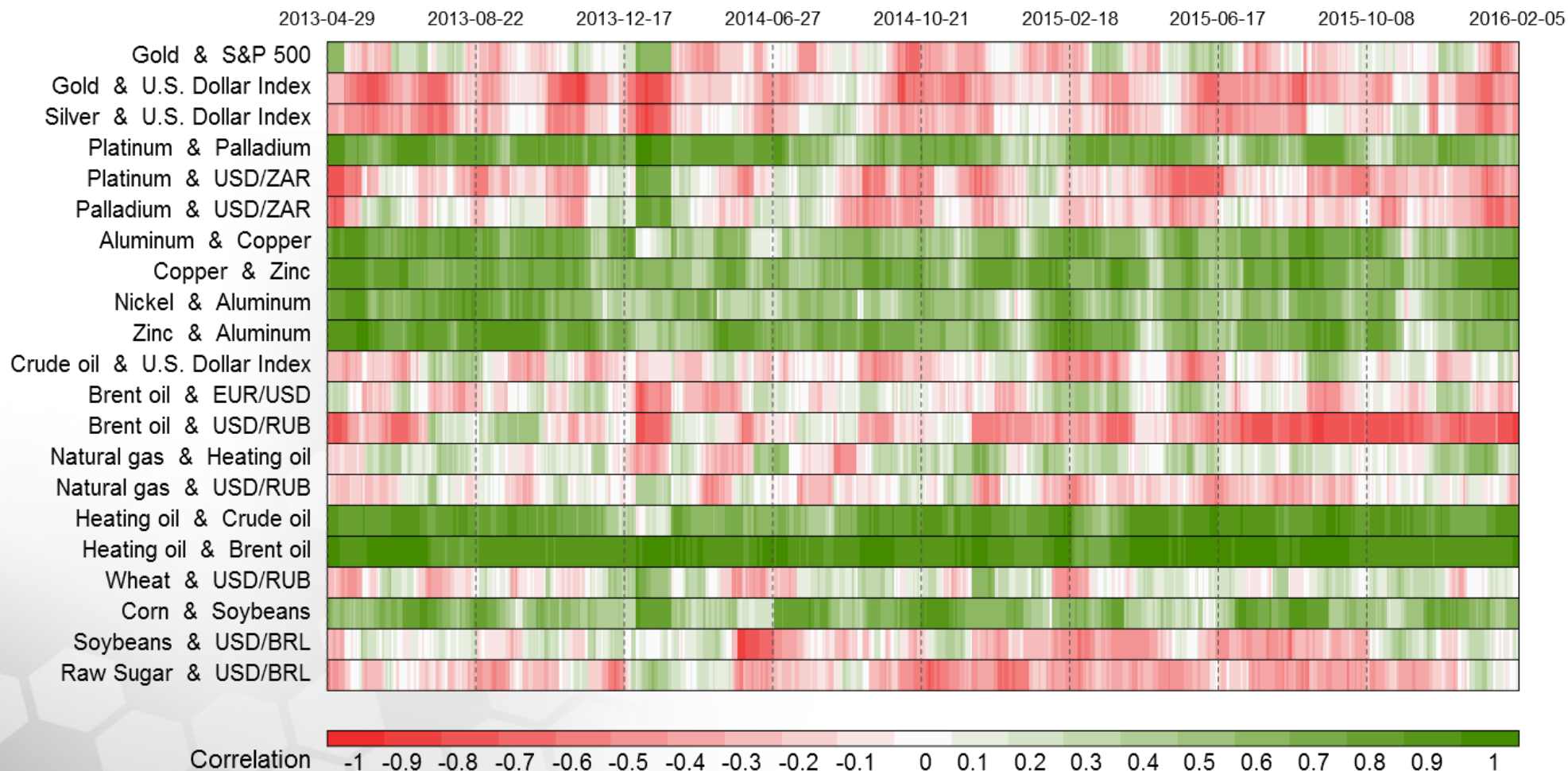
USDA Wasde Total Estimated Inventories (\$ and Changes (%)					
	Today	Month	6 Months	YTD	3 Years
Corn	211854	-0.03	8.54	1.76	53.3
Wheat	229864	1.13	13.57	8.39	30.9
Soybeans	465	0	-2.11	13.41	257.69
Raw Sugar	39598	0	-2.3	-6.2	3.39

Farm Commodities Long-Term Price Forecasts (USD)												
	Q1 16			Q2 16			Q3 16			Q4 16		
	Min	Max	Avg	Min	Max	Avg	Min	Max	Avg	Min	Max	Avg
Corn	351.9	405	380.74	342.5	410	386.94	337.5	425	390.94	332.5	450	396.69
Wheat	457.5	620	512.55	442.5	620	514.75	437.5	620	520.55	432.5	590	522.06
Soybeans	850	950	880.45	837.5	950	889.19	832.5	950	883.31	827.5	950	898.81
Sugar	14.07	16	14.77	13.6	16	14.44	13.2	16	14.61	13.7	15.88	14.73

S&P GSCI Agriculture Index	%
Weekly	-1.41
Monthly	-0.23
3 Months	-5.95
6 Months	-6.79
12 Months	-14.64

# Correlation Matrix

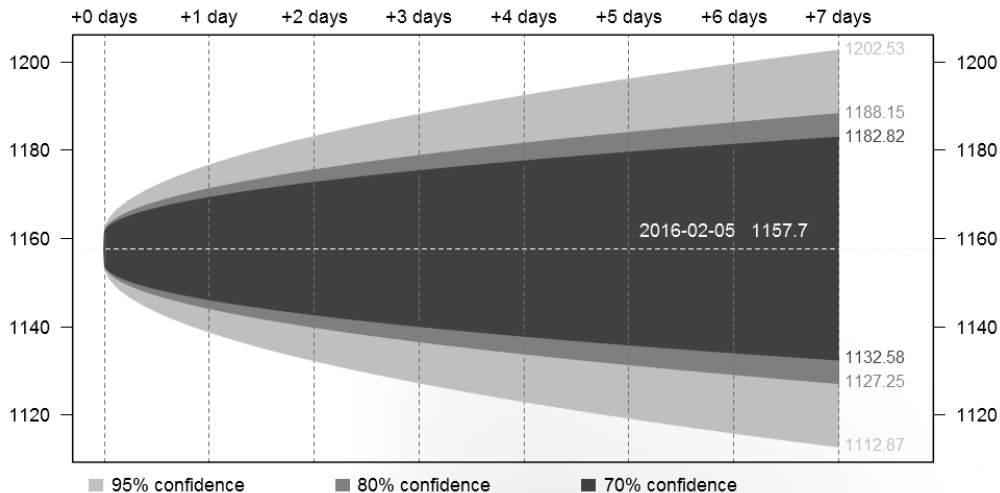
## Correlation



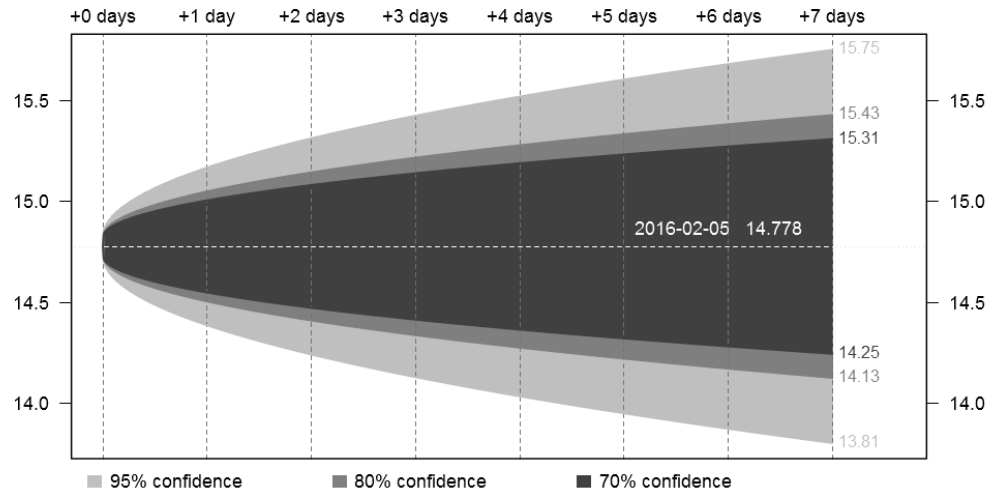
# Precious Metals Confidence Intervals for the Next 7 Days

Tuesday, February 09, 2016

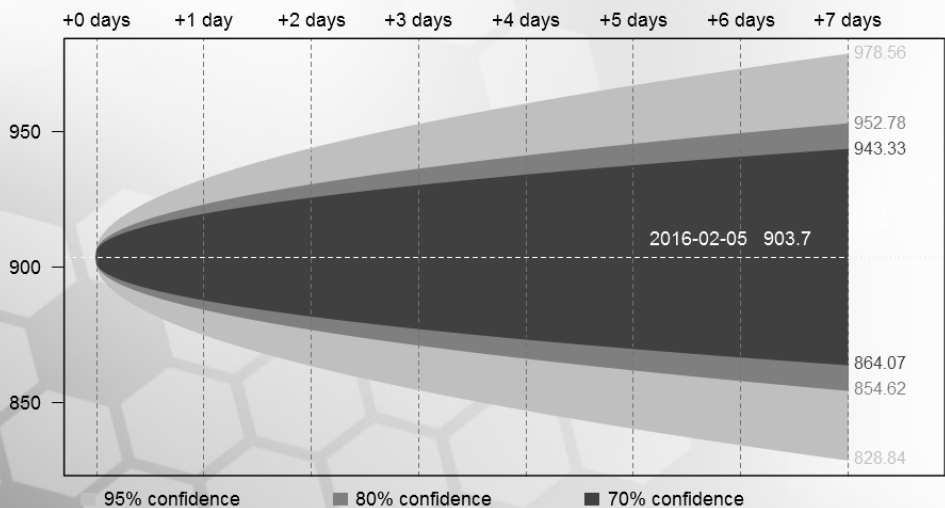
Gold Potential Rates



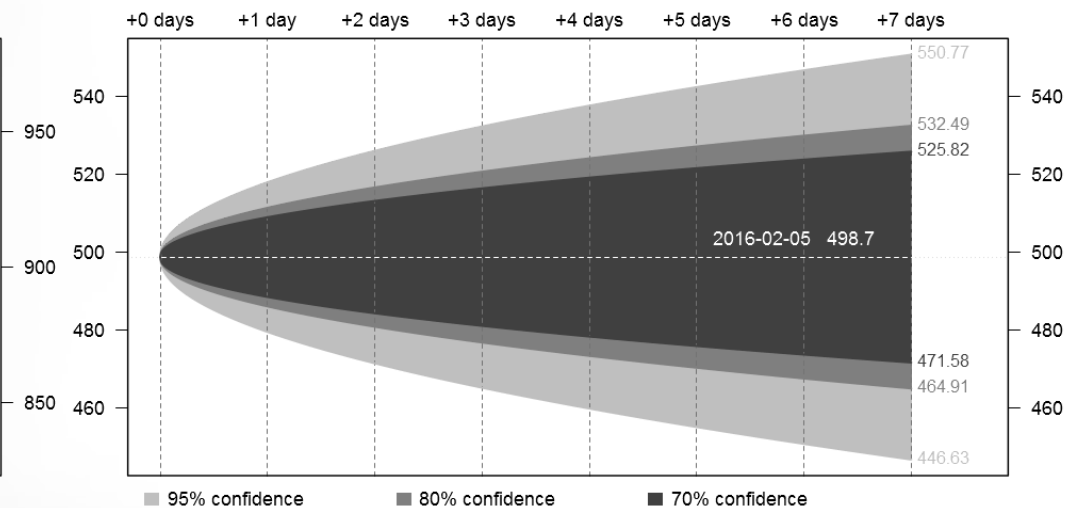
Silver Potential Rates



Platinum Potential Rates



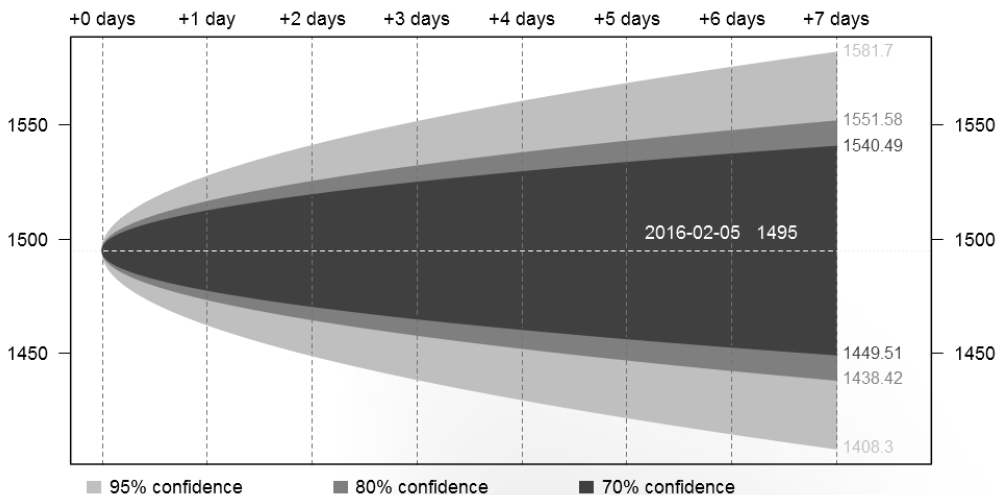
Palladium Potential Rates



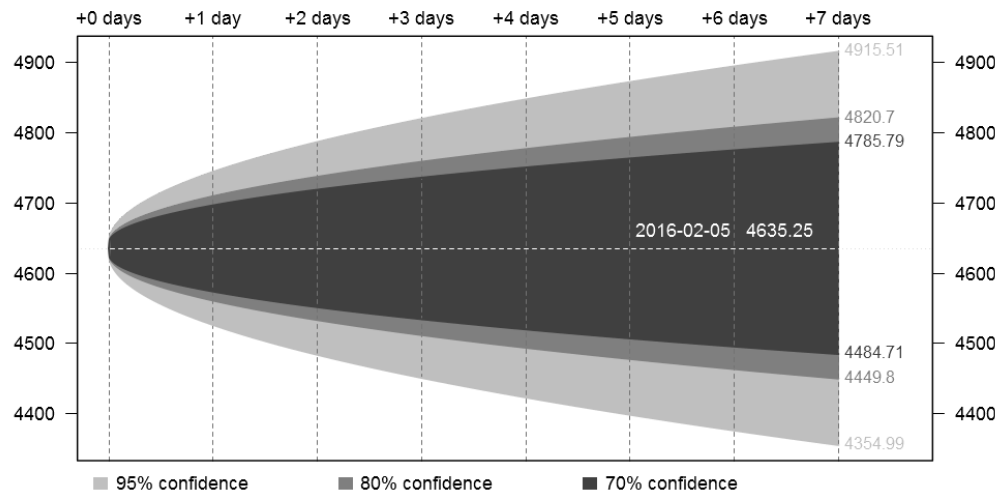
# Industrial Metals Confidence Intervals for the Next 7 Days

Tuesday, February 09, 2016

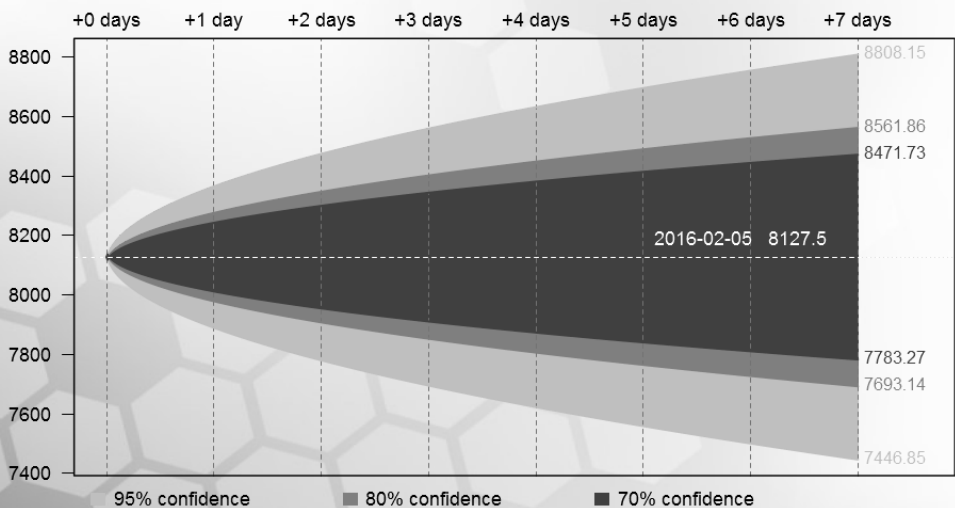
Aluminum Potential Rates



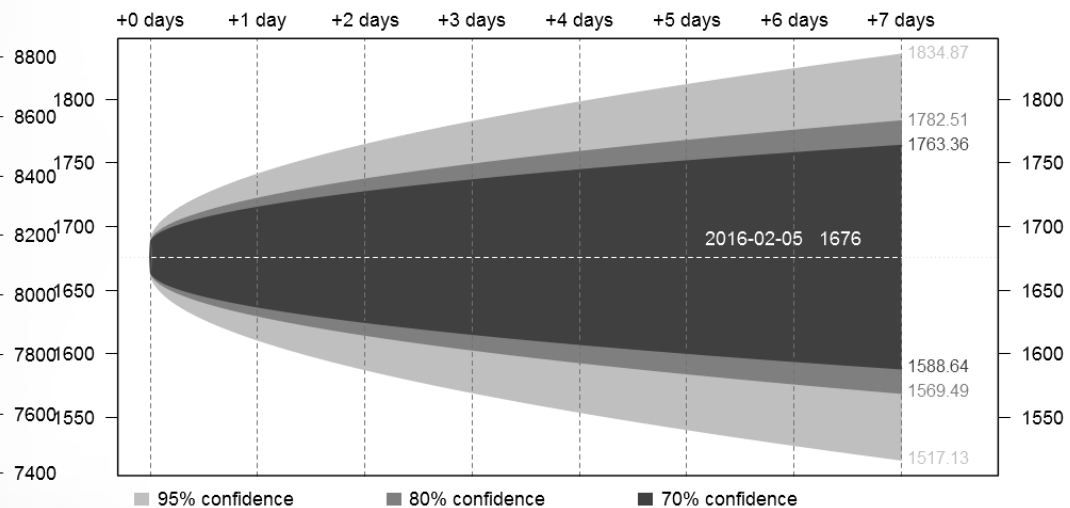
Copper Potential Rates



Nickel Potential Rates



Zinc Potential Rates

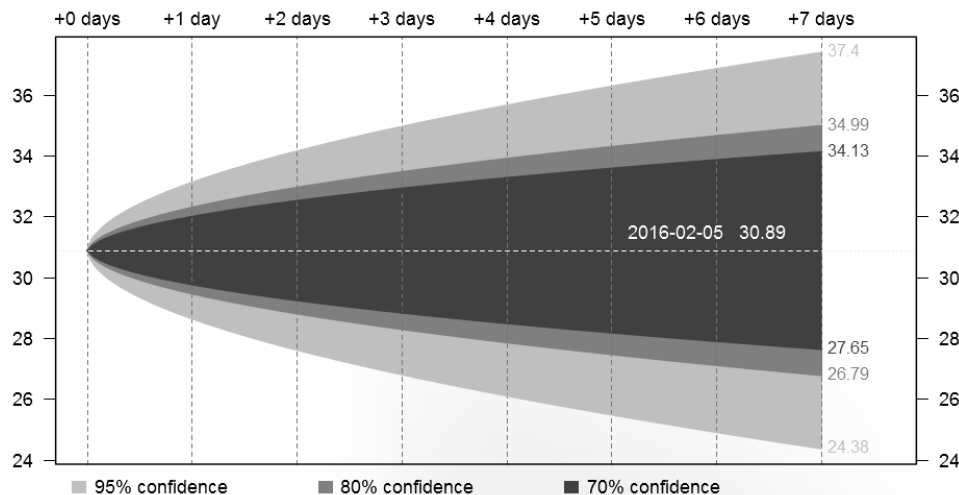




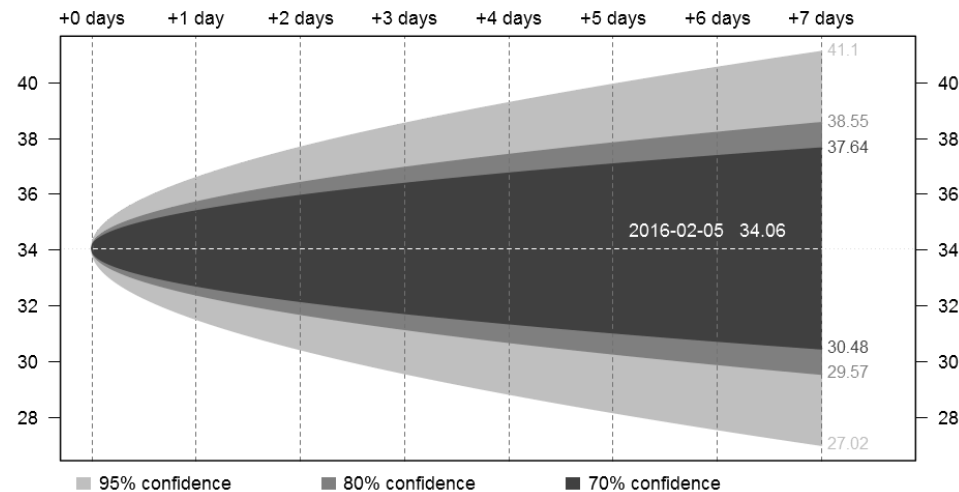
# Energy Confidence Intervals for the Next 7 Days

Tuesday, February 09, 2016

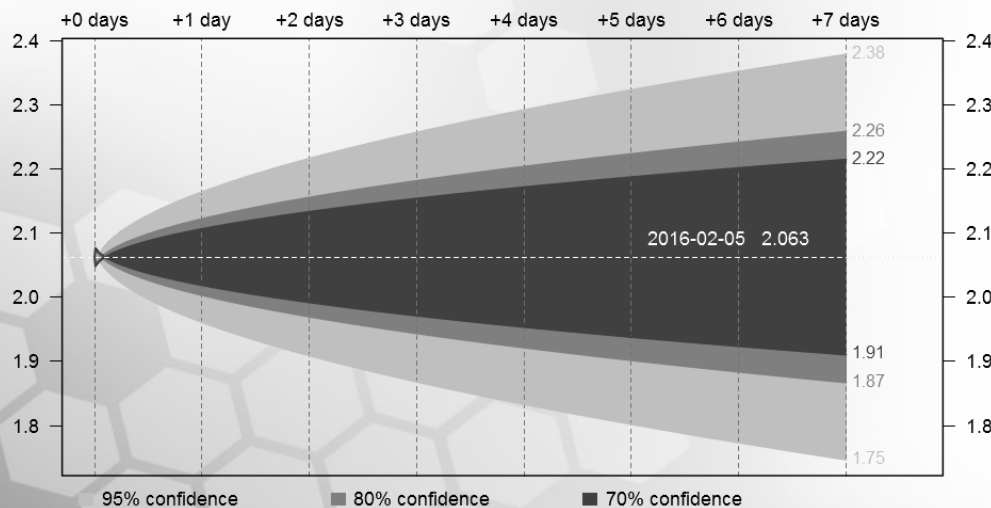
Crude oil Potential Rates



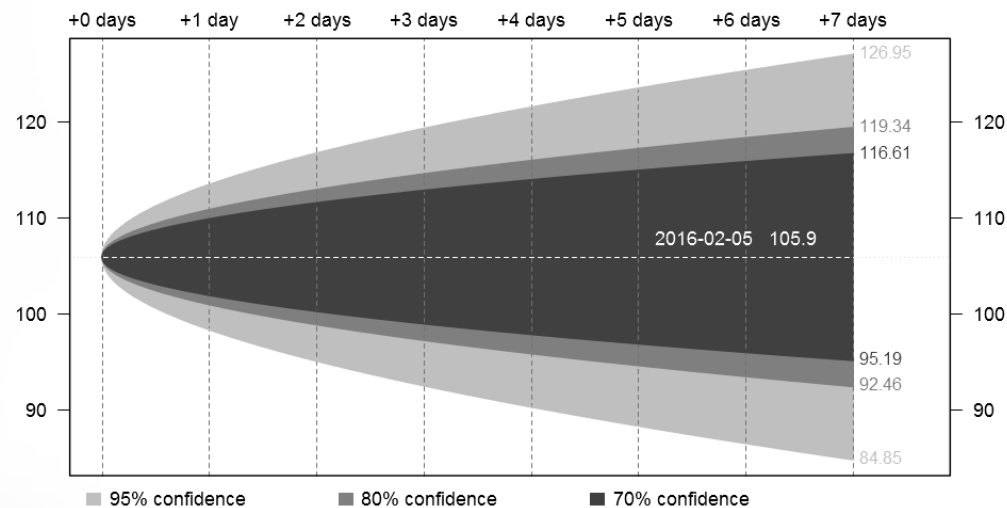
Brent oil Potential Rates



Natural gas Potential Rates



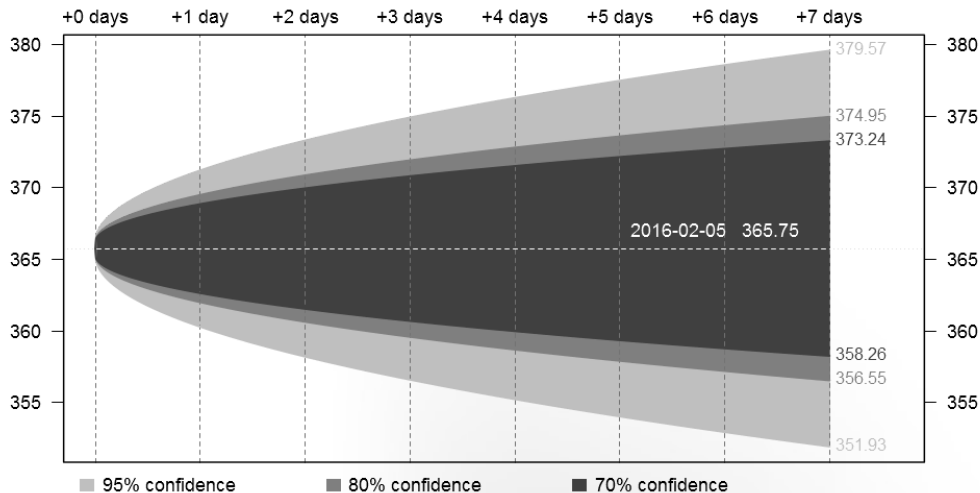
Heating oil Potential Rates



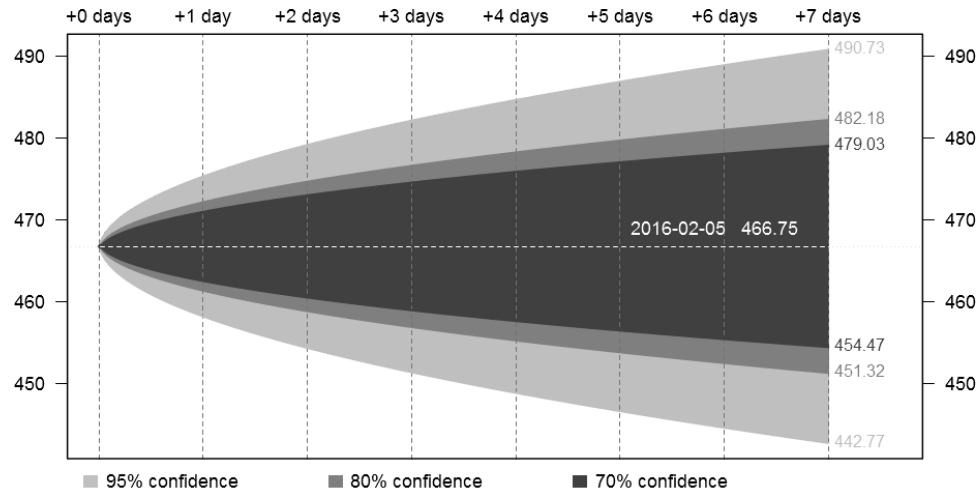
# Agriculture Confidence Intervals for the Next 7 Days

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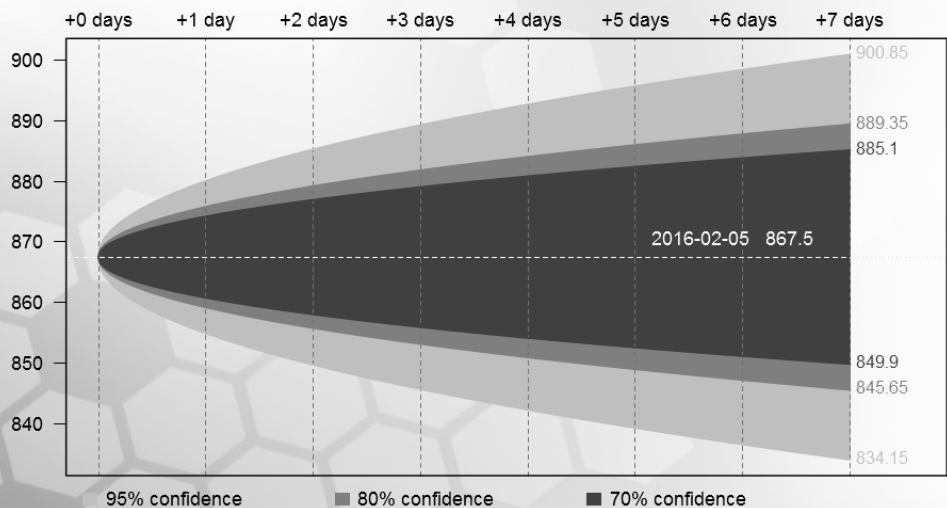
**Corn Potential Rates**



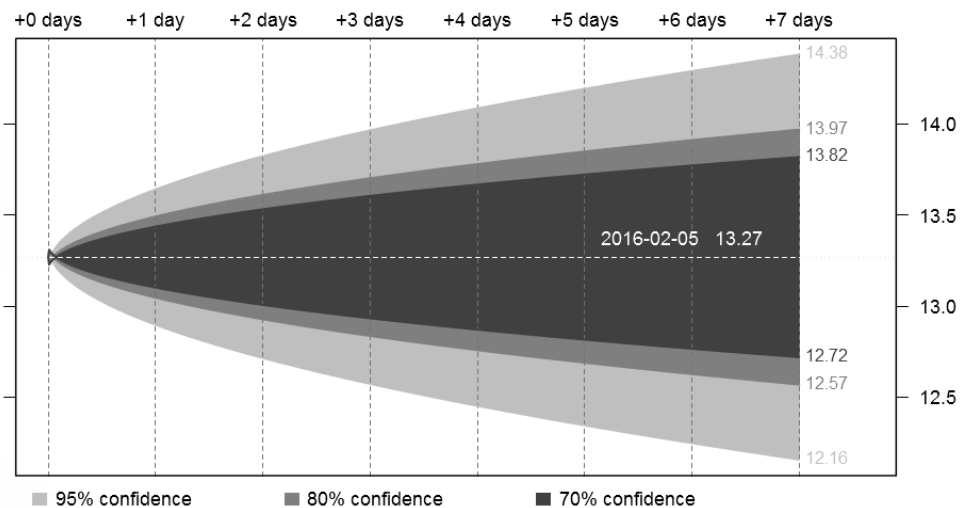
**Wheat Potential Rates**



**Soybeans Potential Rates**



**Raw Sugar Potential Rates**



## EXPLANATIONS

### Commodities

- Gold - COMEX active contracted (USD/t o.z.)
- Silver - COMEX active contract (USD/t o.z.)
- Platinum - New York Mercantile Exchange active contract (USD/t o.z.)
- Palladium - New York Mercantile Exchange active contract (USD/t o.z.)
- Aluminum-Active contract of primary aluminum of minimum 99.2% purity at the LME (USD/MT)
- Copper –Active contact of electrolytic copper at the LME (USD/MT)
- Zinc - Active contract of zinc od minimum 99.995% purity at the LME (USD/MT)
- Nickel– Active contract of nickel of 99.8% purity at the LME (USD/MT)
- Crude oil - light, sweet crude oil active contract on the New York Mercantile Exchange (USD/bbl.)
- Brent oil - Brent oil active contract on the ICE Futures Europe (USD/bbl.)
- Natural Gas - natural gas active contract on the New York Mercantile Exchange (USD/MMBtu)
- Heating oil - heating oil active contract on the New York Mercantile Exchange (USD/gal.)
- Wheat - wheat active contract on the Chicago Board of Trade (cents/bu)
- Corn - corn active contract on the Chicago Board of Trade (cents/bu)
- Coffee - benchmark Arabica coffee active contract on the NYB-ICE Futures Exchange
- Soybeans -active contract on the Chicago Board of Trade (cents/bu)

### Indices

- **S&P GSCI Precious Metals Total Return Index** - commodity group subindex composed of gold and silver; the index reflects return on underlying commodity futures price movement
- **S&P GSCI Industrial Metals Total Return Index** - commodity group subindex composed of futures contracts on aluminium, copper, lead, nickel and zinc
- **S&P GSCI Energy Total Return Index** - commodity group subindex composed of futures contracts on crude oil, Brent oil, RBOB gas, heating oil, gas oil and natural gas
- **S&P GSCI Agriculture Total Return Index** - commodity group subindex composed of futures contracts on wheat, red wheat, corn, soybeans, cotton, sugar, coffee and cocoa

### Indicators

**Long-term price forecasts**-aggregated price forecasts based on predictions of 20 international banks forecasts

**USDA Wasde Total Estimated Inventories** (Today)-current level of inventories of wheat in 1000 MT, corn in 1000 MT, soybeans in million bushels and green coffee in 1000 bags



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- Trade Pattern Ideas
- Global Stock Market Review
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