



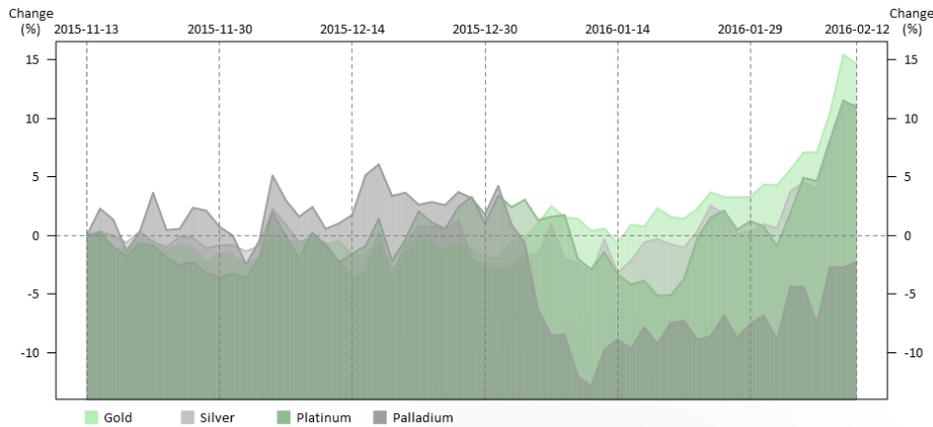
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15/02/2016



# Weekly Commodity Overview

# Precious Metals Jump on Skepticism over US Rate Hike



**Gold** slipped on Friday on the back of recovery on global equity markets. On the Comex division of the New York Mercantile Exchange, gold futures for delivery in April settled at \$1,239.40 a troy ounce by the end of Friday's trade, dropping \$8.40, or 0.67% compared to Thursday's close. A day before, bullion futures inched up to \$1,263.90, the most since February 2015, before closing at \$1,247.80, which is still up \$53.20, or 4.45%, as skepticism over the Fed's ability to hike interest rates as much as it has originally planned made prices of the precious metal go up. Over the course of the whole trading week, gold futures managed to tack on, closing 7.06%, or \$65.60, higher compared to the previous week's end price and posting the fourth consecutive week of gains and the best weekly performance in nearly 8 years on the Comex. Meanwhile, yellow metal's is up around 16% so far in 2016 amid bolstered safe-haven demand. However, the Fed's rate hike cycle will continue to support demand for the US Dollar, which will in turn put downwards pressure on gold.

**Silver** futures for March delivery dipped on Friday, settling modest 0.4 cents, or 0.03%, lower at \$15.79 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 6.85%, or 79.0 cents, marking the fourth straight weekly gain.

**Platinum** dropped at the end of the previous week, with metal's futures for April delivery falling \$4.90, or 0.5%, on Friday to settle at \$958.30 per ounce, though still being able to hold the psychologically important level of \$900 for the second straight week. Over the prior trading week, prices finished 6.02% higher on the New York Mercantile Exchange.

**Palladium** was at \$525.95 an ounce on Friday, up \$1.50 from the Thursday's close. Due to these gains, on the week prices of the metal settled higher, gaining 5.67% on the Nymex.

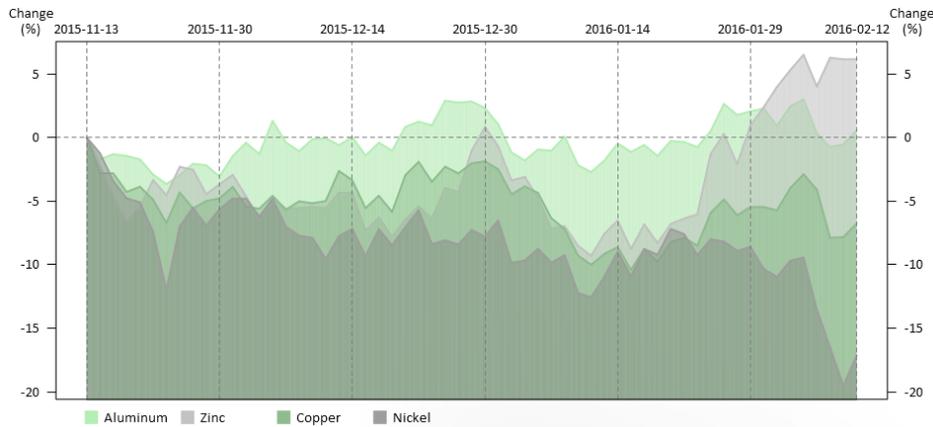
Price Changes (%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Gold	7.06	14.01	14.66	11.39	1.62	1.53
Silver	6.85	11.54	11.17	3.79	-5.79	-5.98
Platinum	6.02	12.55	10.93	-3.61	-19.86	-20.19
Palladium	5.67	8.29	-2.27	-14.66	-31.25	-31.88

Changes in Total Known ETF Holdings (%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Gold	2.56	7.07	5.42	5	-4.98	-5.31
Silver	0.23	-0.89	-1.51	-3.78	-3.87	-3.83
Platinum	-0.23	-2.21	-3.94	-18.21	-8.52	-8.34
Palladium	-1.3	-4.22	-7.49	-25.56	-24.64	-24.77

Precious Metals Long-Term Price Forecasts (USD per ounce)												
	Q1 16			Q2 16			Q3 16			Q4 16		
	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

S&P GSCI Precious Metals Index	%
Weekly	7.04
Monthly	13.75
3 Months	14.25
6 Months	10.45
12 Months	-0.59

# Industrial Metals Finish Mixed on Rebound in Chinese Markets



**Aluminum** reversed its losses on Friday, with metal's futures for delivery in April adding 1.1% compared to the previous session's end price, settling at \$1,695.75 a tonne on the London Metal Exchange. Following this uptrend, aluminum managed to close the prior trading week higher, posting a slight weekly increase of 0.23%, as Chinese markets rebounded after a week of relatively sluggish trade. In the meantime, modest growth in emerging markets continues to dampen prices of the metal, leaving the future performance of the industrial metal uncertain.

**Copper** futures for delivery in March jumped on Friday, climbing 2.2 cents, or 1.12%, to finish the trading session at \$2.029 a pound, as investors rushed to close out bearish deals before the Chinese data that is due this week and ahead of the long weekend in the United States. Despite this uptick, prices of the red metal did not manage to add, slipping 2.77% over the course of the prior trading week on the Comex division of the New York Mercantile Exchange, being dragged down by ongoing China-led slowdown in global economy overall. However, prices of copper have rebounded already around 3% since the beginning of the year, while worries over economic uncertainty in China, the world's biggest copper consumer, continue making traders cut holdings of the industrial metal, bringing prices of the red metal down.

**Nickel** closed Friday on an up note, rebounding 2.2% on the LME, following market consolidation after week of generally weak trade. Over the past five trading days, nickel futures, however, still plummeted 4.15%, becoming the worst performing metal of the prior week amid weak demand from China.

**Zinc** was up on Friday, rallying 2.06% on the LME over the past trading week, being the best performer of the week in base metals.

Price Changes (%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Aluminum	0.23	2.43	0.57	-4.28	-17.36	-18.37
Copper	-2.77	2.64	-6.75	-12.69	-19.64	-21.6
Nickel	-4.15	-6.95	-17.13	-26.31	-47.06	-46.89
Zinc	2.06	14.86	6.16	-6.22	-18.97	-20.05

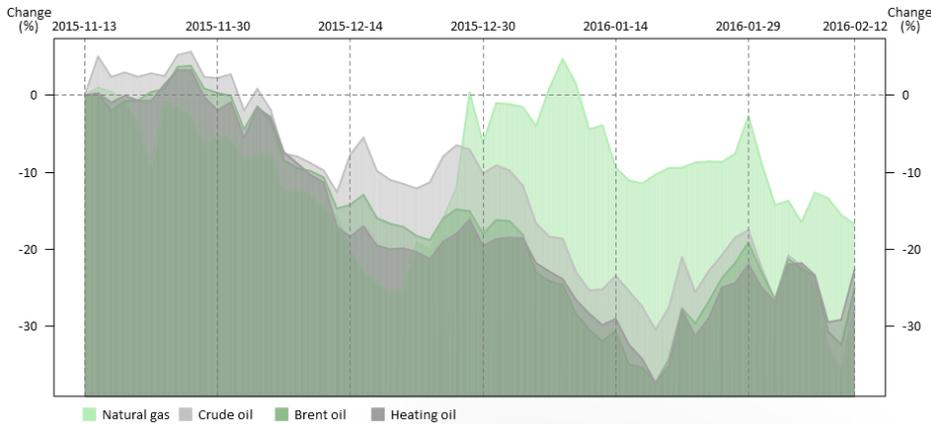
Changes in LME inventories(%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Aluminum	-1	-3.72	-7.82	-18.13	-30.87	-31.15
Copper	-3.68	-6.5	-14.87	-37.14	-25.47	-24.77
Nickel	-0.22	0.55	5.03	-3.35	3.05	3.24
Zinc	-0.93	2.59	-17.65	-0.44	-22.18	-23.21

## 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	-0.87
Monthly	3.71
3 Months	-2.71
6 Months	-9.86
12 Months	-22.54

# Oil Tumbles on Oversupply Concerns



**Crude oil** high-rocketed on Friday, with New York-traded crude oil futures posting their biggest daily rally over the past seven years on the back of recently occurred indications about possibility of coordinated production cuts, which forced traders to close out bearish bets. This boost was caused by reports that OPEC oil producers may come closer to the decision to decrease production in order to handle one of the most substantial supply gluts in decades. Furthermore, news that the number of rigs drilling for oil in the US dropped by 28 to 439 last week also made prices go up. On the New York Mercantile Exchange, crude oil futures for delivery in March finished at \$29.44 a barrel on Friday, bringing daily increase to \$3.23, or 12.32%. Despite strong Friday gains, over the course of the whole trading week, Nymex oil futures slid as much as 4.69%, posting the second weekly decline. Meanwhile, New York-traded crude oil has tumbled nearly 4% since the beginning of the year.

**Brent oil** futures for delivery in April also rose by the end of Friday's trade to settle at \$33.36 a barrel on the ICE Futures Exchange, which is up \$3.30, or 10.98%, on a daily basis. In the previous session, futures posted a drop of 2.53%, or 78 cents, failing to stay above an important level of \$35 a barrel. For the week, London-traded Brent oil futures declined 2.06%, or 63 cents, posting the second weekly decrease in the last four weeks. Meanwhile, Brent prices are already down around 13% since the year started, as traders are concerned over a huge oversupply in crude paired with weak global economy overall.

**Natural gas** futures reversed their gains, crashing to a seven-week low on Friday, as an updated weather outlook called for warmer-than-expected temperatures in the US in February. On the Nymex, natural gas futures for March delivery finished the week down as much as 4.7%, or 14.0 cents, tumbling to \$1.951 per million British thermal units on Friday, a level not seen since December 23, before closing at \$1.966.

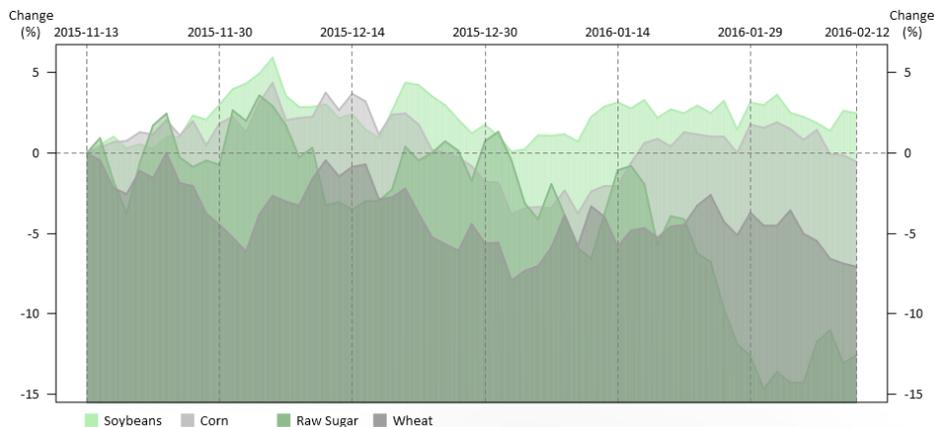
Price Changes (%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Crude oil	-4.69	-3.41	-27.74	-30.73	-39.72	-42.51
Brent oil	-2.06	10.17	-24.98	-32.18	-40.34	-43.72
Natural gas	-4.7	-13.35	-16.73	-29.81	-29.71	-27.53
Heating oil	0.97	10.31	-22.59	-31.36	-41.06	-44.12

Changes in U.S. inventories (%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Crude oil	-0.15	4.07	3.06	10.66	20.11	21.52
Gasoline	0.49	10.2	19.89	18.64	5.36	6.23
Natural Gas	-2.39	-21.38	-28.13	-3.8	26.28	17.96
Distillate Fuel	0.8	0.98	14.08	8.91	22.67	19.71

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	-2.09
Monthly	-0.34
3 Months	-30.32
6 Months	-39.11
12 Months	-52.59

# Grains Finish Mostly Lower Over Week



**Corn** inched up last week, being supported mainly by a rally in crude oil prices posted on Friday. A lift to both corn and wheat, however, is not expected to remain for a long time, as there is lack of news that could drive markets up. At the Chicago Board of Trade, the most actively-traded corn futures for delivery in March posted an increase of 1.25 cents, or 0.4%, to settle at \$3.61 a bushel by the close of trade on Friday. Over the course of the prior trading week, which was not volatile enough for the grain market, prices of corn shed 1.96% compared to the previous week's final price.

**Wheat** prices also inched upward on Friday, being influenced mainly by a slight jump in corn market, which was caused by a steep increase of crude oil prices. At the Chicago Board of Trade, wheat futures for delivery in March, the best-traded contract, added 0.5 cents, or 0.1%, to finish Friday's session at \$4.58 a bushel, still marking one of the worst closes for a front-month contract since mid-January. In spite of this modest uptick, US grain prices slid on the week, finishing the trade 1.7% 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 an up note, nudging 0.03%, or 0.5 cents higher, to settle at \$8.73 a bushel by the end of Friday's trade at the Chicago Board of Trade amid strength in the energy markets. Moreover, according to analysts worldwide, a positive tendency in soybean oil prices also helped oilseeds climb. However, favourable weather in South America, a major US rival for soybeans export, added negative sentiment in the market; thus, on the week soybean futures for March delivery managed to add just 0.6%.

**Raw sugar** was off its highs last week on the grain market, with the most actively-traded raw sugar futures sliding 0.9% at the Chicago Board of Trade.

Price Changes (%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Corn	-1.96	1.54	-0.55	-3.2	-7.68	-7.03
Wheat	-1.7	-3.24	-7.08	-9.62	-11.69	-11.01
Soybeans	0.6	-0.4	2.48	-4.36	-10.63	-11.17
Raw Sugar	-0.9	-9.12	-12.57	10.88	-18.12	-19.42

USDA Wasde Total Estimated Inventories (\$ and Changes (%)					
	Today	Month	6 Months	YTD	3 Years
Corn	208807	-1.46	6.98	0.3	51.09
Wheat	238865	5.09	18.02	12.63	36.02
Soybeans	450	2.27	-4.26	16.88	69.81
Raw Sugar	39598	0	-2.3	-6.2	3.39

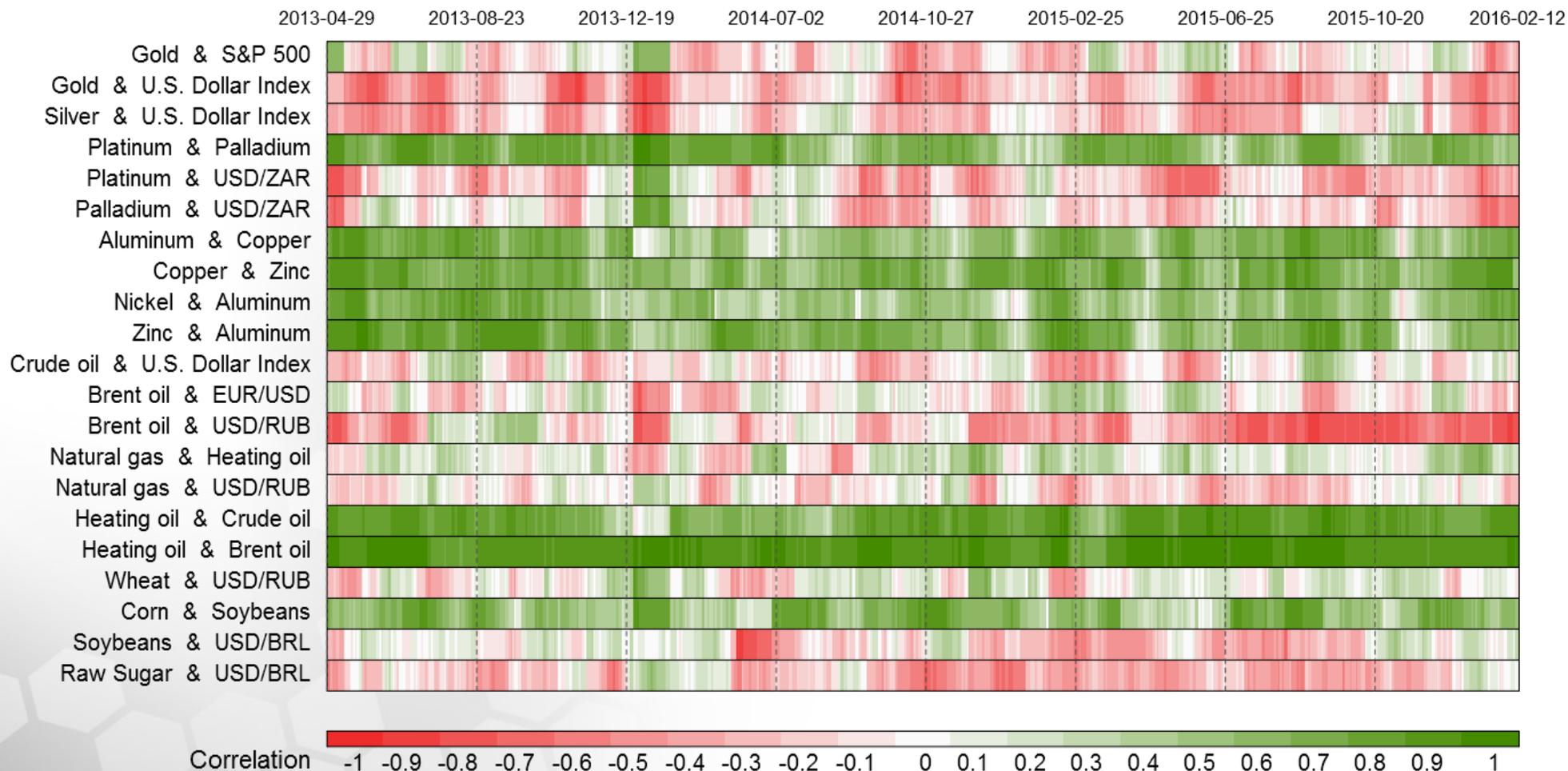
## Farm Commodities Long-Term Price Forecasts (USD)

	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	-1.39
Monthly	-2.89
3 Months	-4.79
6 Months	-7.28
12 Months	-16.79

# Correlation Matrix

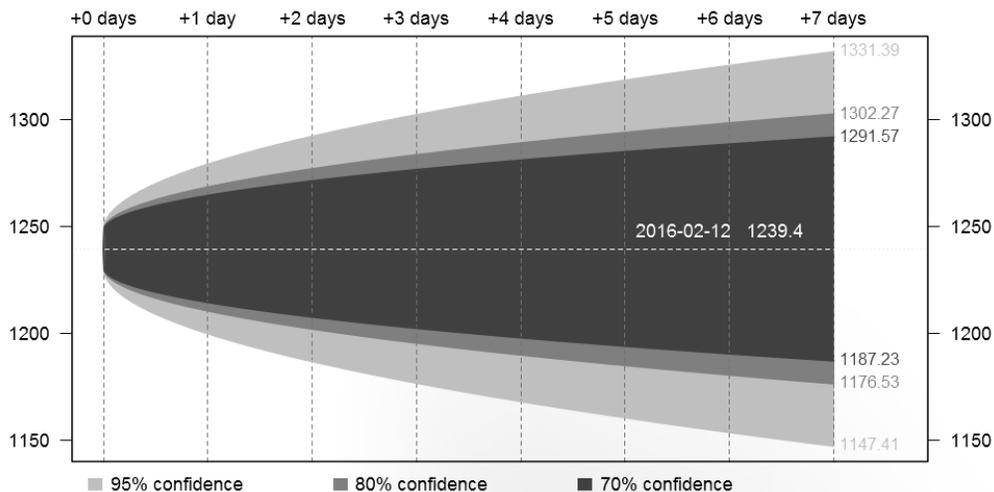
## Correlation



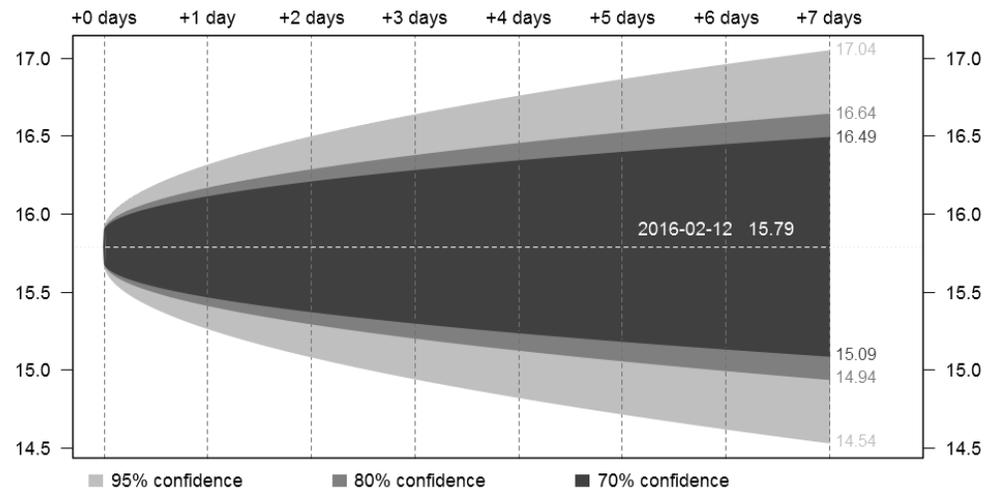
# Precious Metals Confidence Intervals for the Next 7 Days

Monday, February 15, 2016

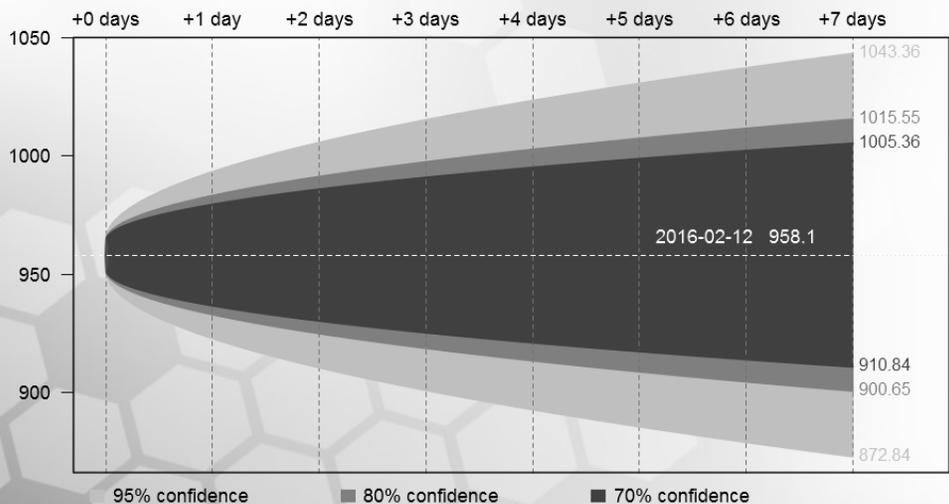
Gold Potential Rates



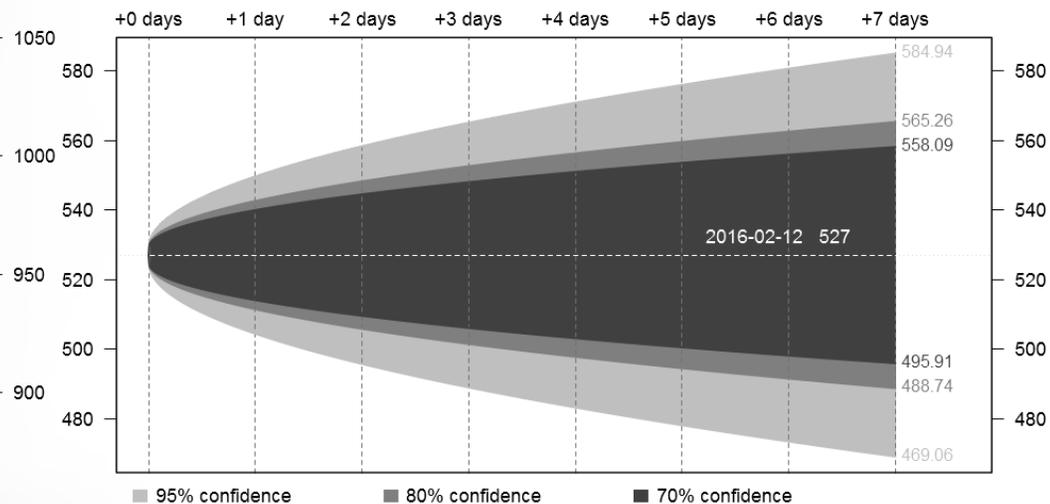
Silver Potential Rates



Platinum Potential Rates



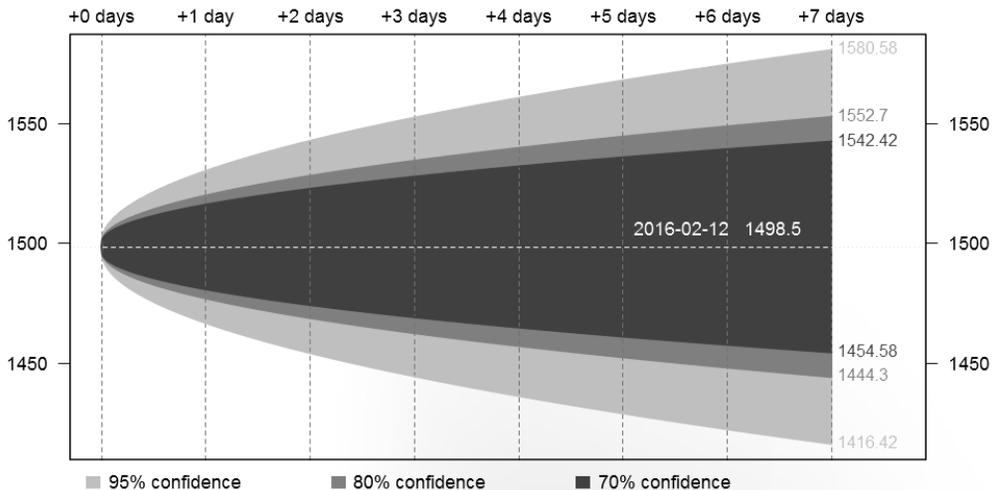
Palladium Potential Rates



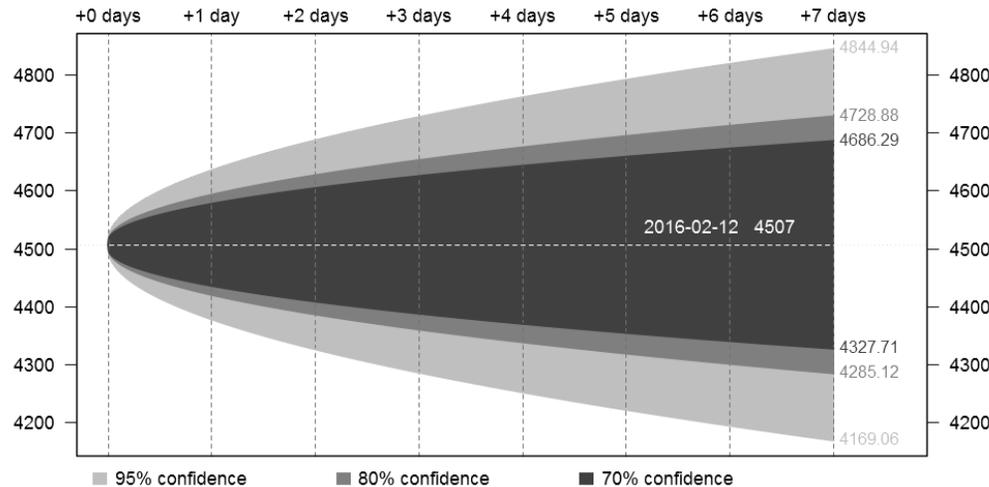
# Industrial Metals Confidence Intervals for the Next 7 Days

Monday, February 15, 2016

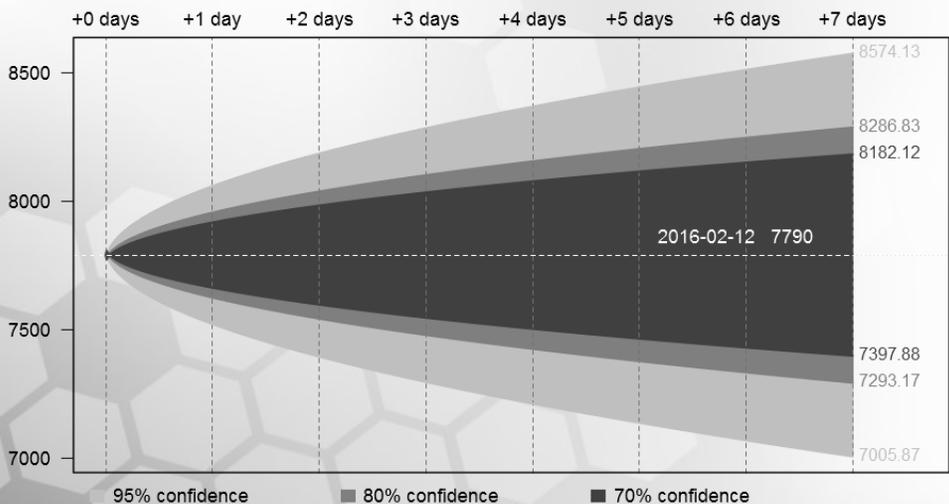
Aluminum Potential Rates



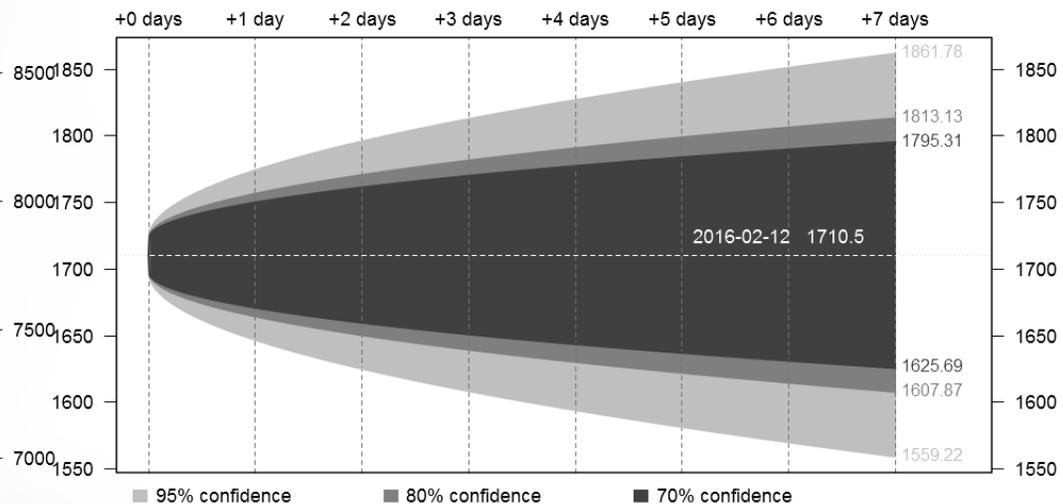
Copper Potential Rates



Nickel Potential Rates



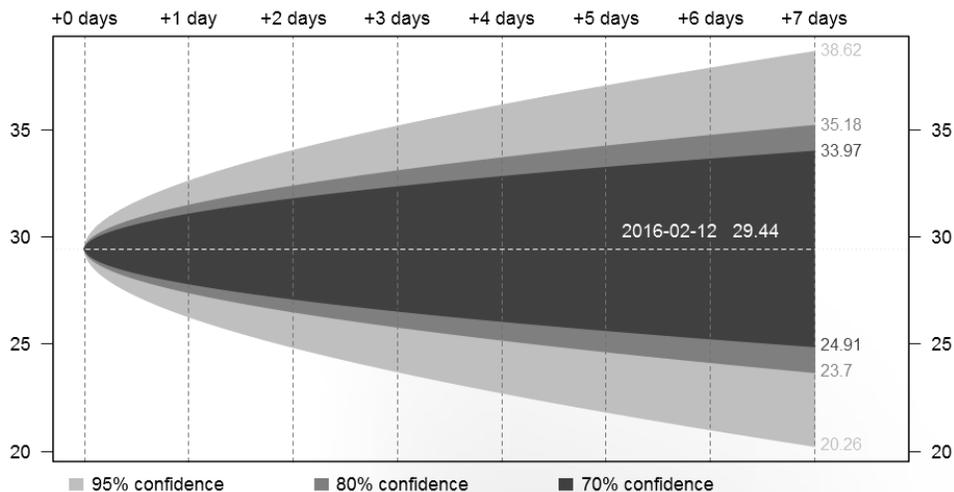
Zinc Potential Rates



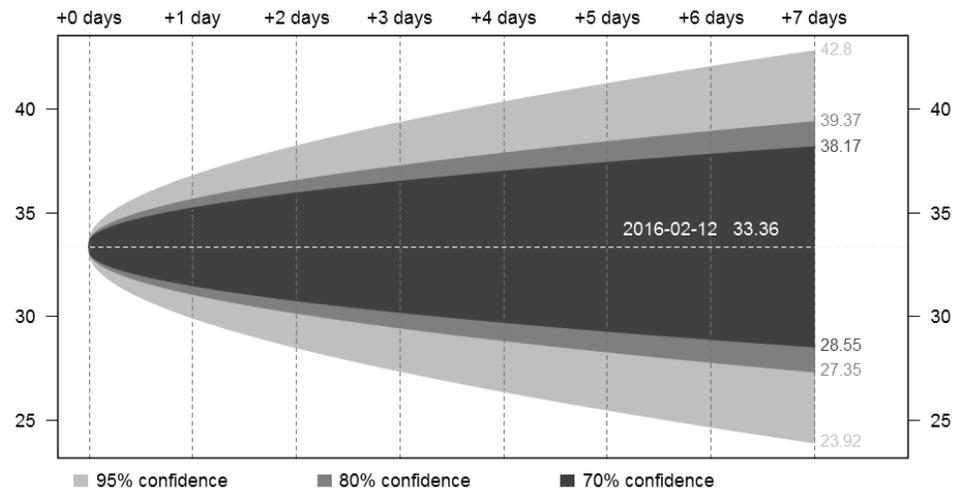
# Energy Confidence Intervals for the Next 7 Days

Monday, February 15, 2016

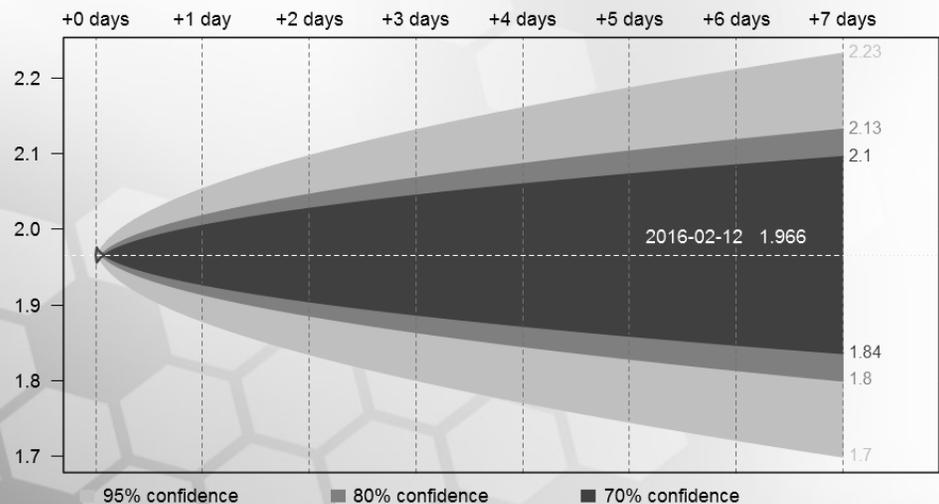
Crude oil Potential Rates



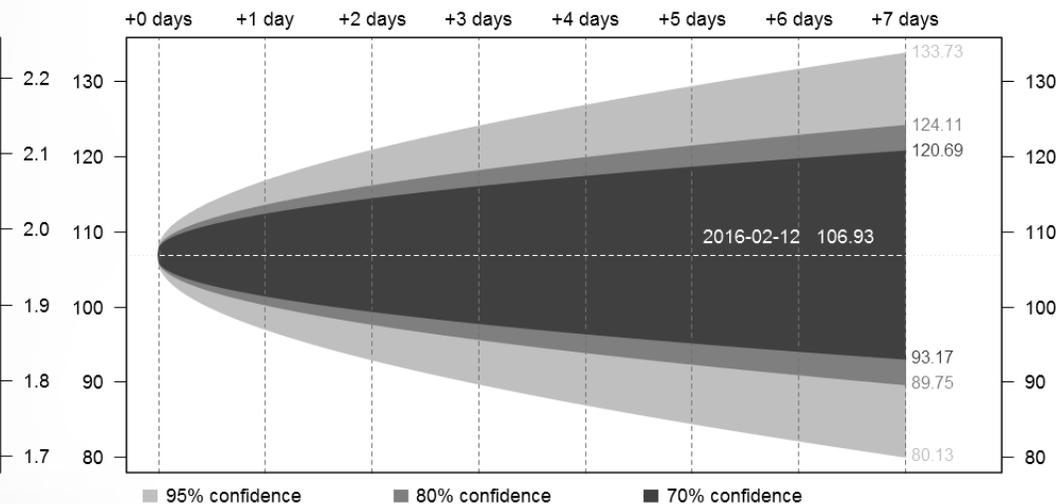
Brent oil Potential Rates



Natural gas Potential Rates



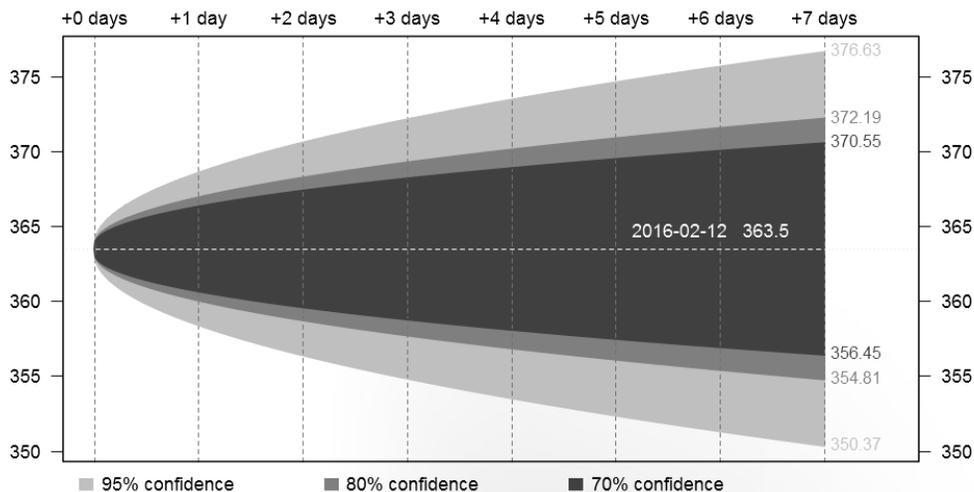
Heating oil Potential Rates



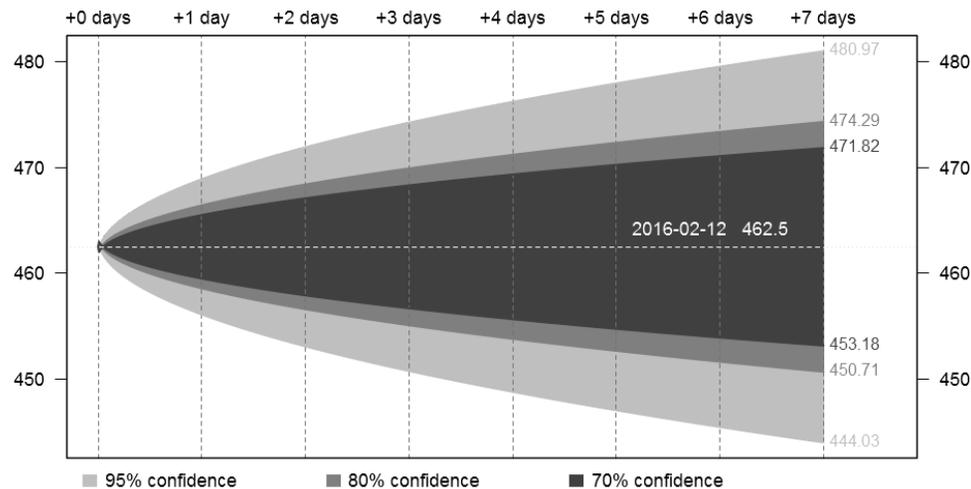
# Agriculture Confidence Intervals for the Next 7 Days

Monday, February 15, 2016

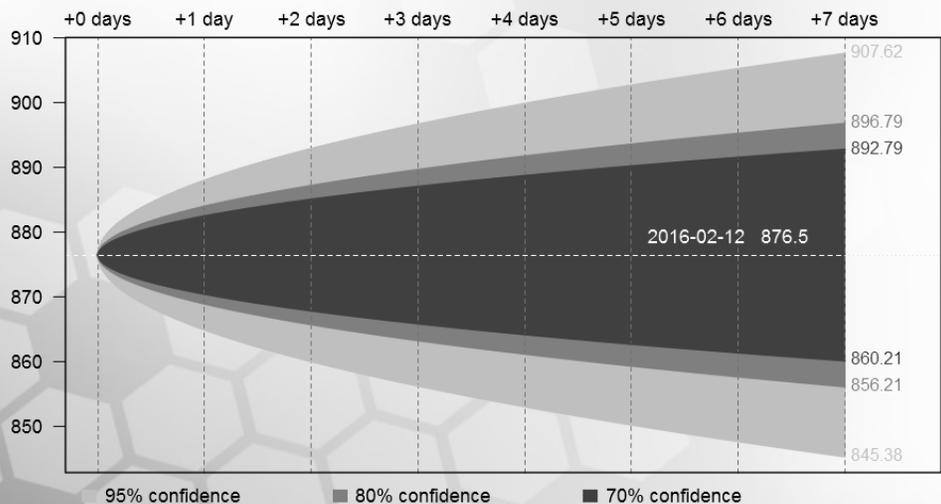
Corn Potential Rates



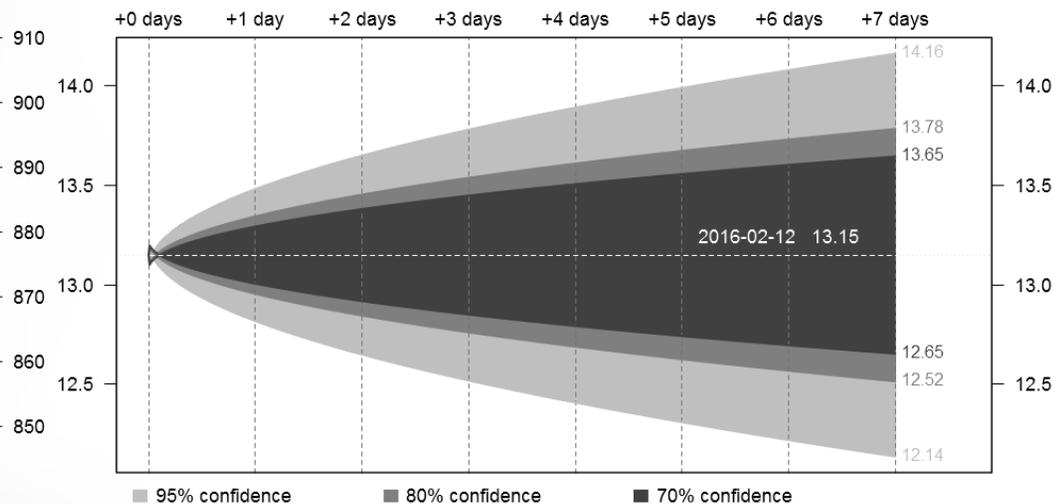
Wheat Potential Rates



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
- Commodity Overview
- Economic Research
- Quarterly Report
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