



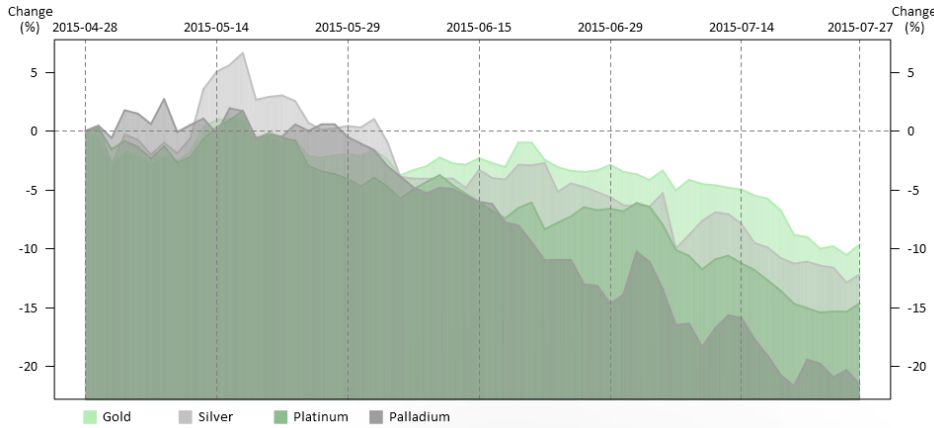
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29/07/2015



# Weekly Commodity Overview

# Gold Extends the Annual Decline



**Gold** prices dropped to the lowest level since 2010 over the week ending July 24, marking the longest losing streak since the year of 1996, as a stronger Greenback made dollar-priced commodities less attractive for overseas investors. On the weekly basis, bullion slid to \$1,090 per ounce, losing around 4% of its value. Furthermore, holdings in SPDR Gold Trust have reached their lowest since 2008 mark of 22.17 million ounces. Meanwhile, the outlook of the precious metal continues to be bearish, as it cannot compete with yield-bearing assets, if rates are hiked. Moreover, it was released that Hedge funds are holding net-short position for the first time ever, thus indicating that hedge fund outlook is pessimistic for the precious metal.

**Silver** futures sank to their six-year low, following the expectations that the Fed will raise interest rates as soon as September 2015 and weaker than forecasted economic data from China. Futures for delivery in September fell 1.45% to \$14.48 per troy ounce on the Comex, while the prices dropped 2.05% to settle at \$14.40 a troy ounce over the week.

**Platinum** futures for October delivery fell 0.78% on the week to \$988.15 per ton, as positive sentiment for the Dollar drove commodity prices lower throughout the week without any significant fundamentals. However, the world's third largest platinum miner, Lonmin Plc, announced that it will cut its annual output by 100,000 ounces during the following two years.

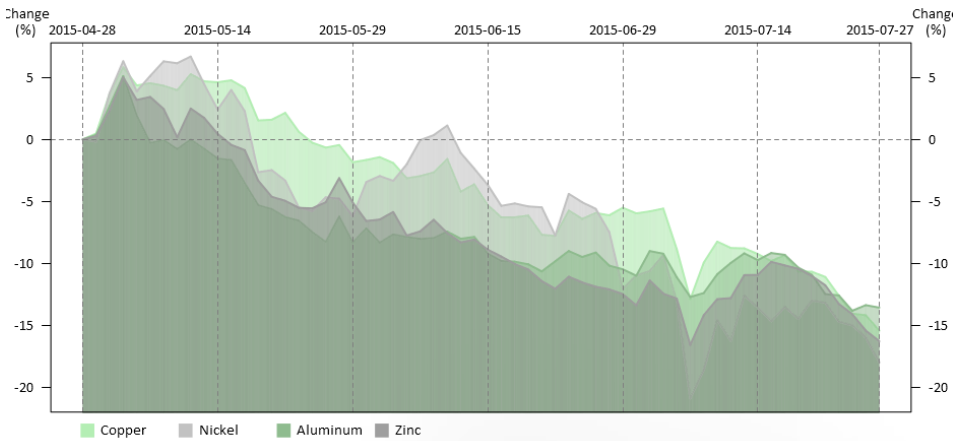
Price Changes (%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Gold	-0.89	-6.5	-9.64	-14.78	-15.15	-15.97
Silver	-1.04	-7.38	-12.18	-19.26	-28.46	-29.23
Platinum	0.03	-8.49	-14.65	-21.42	-32.9	-33.12
Palladium	0.17	-9.65	-21.51	-23.01	-29.61	-30.31

Changes in Total Known ETF Holdings (%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Gold	-1.72	-3.26	-5.1	-6.98	-11.12	-10.95
Silver	-0.39	0.57	-0.21	0.55	-0.82	-0.8
Platinum	1.18	2.78	3.05	5.33	-3.89	-3.9
Palladium	-0.46	-0.79	1.31	-2.98	-4.43	-3.64

Precious Metals Long-Term Price Forecasts (USD per ounce)												
	Q3 15			Q4 15			Q1 16			Q2 16		
	Min	Max	Avg	Min	Max	Avg	Min	Max	Avg	Min	Max	Avg
Gold	1 000	1 422	1 185.55	950	1 500	1 201.61	975	1 534	1 246.07	925	1 529	1 225.62
Silver	13	24	17.44	12	23	17.68	16.3	25	19.49	16.8	22.3	19.52
Platinum	1 125	1 900	1 381.75	1 100	1 640	1 386.68	1 225	1 725	1 461	1 275	1 725	1 463.89
Palladium	663	950	837.7	688	950	849.15	700	1 000	855.4	713	960	845.17

S&P GSCI Precious Metals Index	%
Weekly	-1.02
Monthly	-6.76
3 Months	-10.17
6 Months	-15.63
12 Months	-17.39

# Industrial Metals are Under Pressure



Price Changes (%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Aluminum	-2.98	-3.78	-13.59	-12.35	-20.24	-19.1
Copper	-5.33	-9.93	-15.45	-6.14	-27.82	-27.39
Nickel	-5.76	-11.39	-18.02	-26.71	-42.46	-42.59
Zinc	-5.93	-4.77	-16.3	-8.8	-19.42	-19.37

Changes in LME inventories(%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Aluminum	-1.41	-3.52	-9.57	-14.68	-30.04	-29.35
Copper	0.93	10.51	1.38	40.16	134.56	124.72
Nickel	0.02	-1.03	2.36	7.01	42.75	45.25
Zinc	-2.2	-4.65	-6.91	-30.37	-32.34	-32.2

**Copper** prices dropped around 5%, or 11.5 cents amid the concerns over the Chinese economic health. The Chinese manufacturing PMI shrank for the fifth straight month, thus further raising worries over slowing demand from the world's largest metals consumer. Metal's futures for delivery in the September month on the Comex slid 0.13% to trade at \$2.382 per pound on Friday, following the session's low of \$2.350, last recorded in 2009. In addition, Markit's flash PMI declined to 53.7 in July compared to the expected reading of 54.0. Copper futures decline was further caused by a strong US jobs data, as jobless claims fell by 26,000 to 255,000, the lowest level since 1973.

**Aluminum** prices dropped to six-year lows by the middle of the week, as the official data showed the record output of metal in China, over the already existing world oversupply. Meanwhile, Indian Mine Ministry proposed to double Aluminum import tax in order to protect local producers from cheap imports from Middle East and China. Prices for Aluminum are likely to stay under a pressure in the light of concerns on further growth in metal glut.

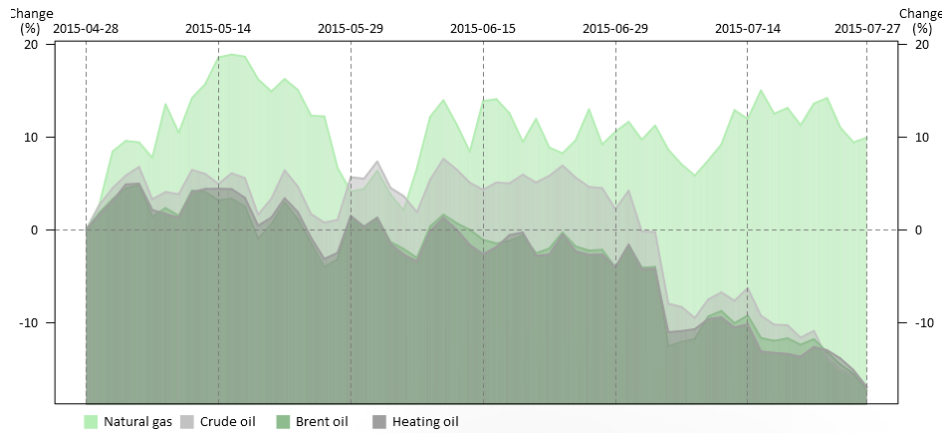
**Nickel** prices dropped sharply after Chinese manufacturing activity fell to a 15-month low last week. Metal's futures for delivery in August were down \$0.06 to settle at \$11.39 per kg, while nickel for delivery this month lost \$0.06 to trade at \$11.26 at the Multi Commodity Exchange.

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

	Q3 15			Q4 15			Q1 16			Q2 16		
	Min	Max	Avg	Min	Max	Avg	Min	Max	Avg	Min	Max	Avg
Copper	5 500	7 436	6 562.24	5 500	7 436	6 711.67	6 000	7 350	6 824.71	6 000	7 778	6 870.69
Zinc	2 094	2 500	2 335.43	2 204	2 800	2 395.18	2 094	2 756	2 437	2 094	2 850	2 466.42
Aluminum	1 860	2 200	2 018.67	1 873	2 330	2 057.09	1 873	2 350	2 084.46	1 873	2 370	2 103.5
Nickel	15 233	24 249	18 994.74	15 116	27 556	19 963.91	15 696	25 000	19 983.38	15 858	26 455	20 175.25

S&P GSCI Industry Metals Index	%
Weekly	-4.74
Monthly	-7.48
3 Months	-15.85
6 Months	-11.15
12 Months	-25.06

# Oil Follows the Downtrend



**Crude and Brent oil** prices continued the downward trajectory amid the overall bearish trend on the global oil market supported by the Iranian nuclear deal. Futures briefly traded below the \$48 support level on Friday. Brent crude oil futures slid 5.61% to settle at \$54.62 a barrel, while futures for WTI slipped below the \$50 mark, losing 6.05% to close the session at \$48.14 per barrel. Meanwhile, a stable Dollar with low volatility does not allow prices to recover, so the global oil oversupply is believed to remain unchallenged by demand for a longer time. As a matter of fact, Iran reportedly holds 30 million barrels of crude oil in inventories, and is ready to export that, when sanctions are lifted.

**Natural gas** slid to \$2.775 per million British thermal units. Traders saw that the technical indicators outweighed strong fundamental figures. Moreover, weather forecasting models indicated above-normal temperatures throughout most of US during this week. Furthermore, US natural gas inventories jumped by 68 billion cubic feet to 2.828 trillion cubic feet, which is 28.2% higher than during the same week in 2014.

**Heating oil** futures for delivery in August dropped 0.16% to settle at \$1.6520 per gallon on the Nymex.

### Price Changes (%)

	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Crude oil	-6.05	-20.53	-16.95	6.61	-53.57	-53.58
Brent oil	-5.61	-15.48	-17.28	10.32	-50.06	-50.67
Natural gas	-1.2	0.69	9.93	-1.86	-27.5	-26.35
Heating oil	-3.79	-14.66	-16.91	-0.85	-44.42	-45.42

### Changes in U.S. inventories (%)

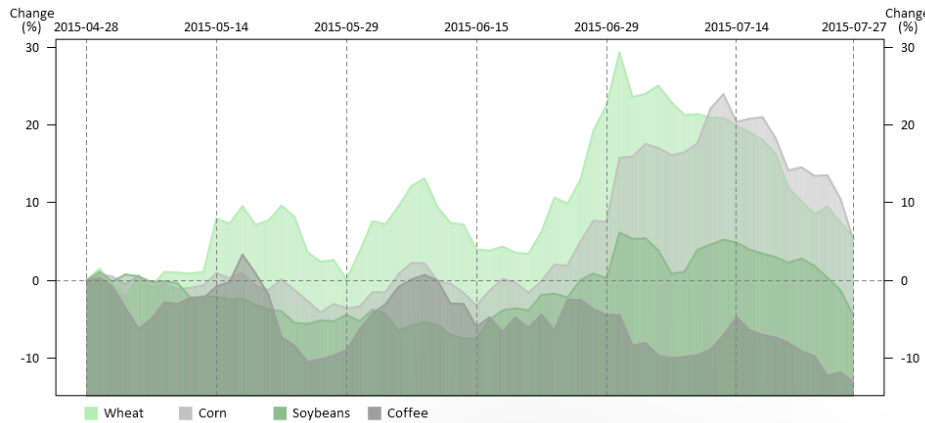
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Crude oil	0.53	-0.86	-5.14	16.6	25.01	23.69
Gasoline	-0.79	-0.7	-4.19	-10.23	-0.73	0.84
Natural Gas	2.2	16.24	73.6	7.24	27.44	32.83
Distillate Fuel	0.17	5.93	9.42	3.61	12.37	13.85

### Energy Futures Long-Term Price Forecasts (USD)

	Q3 15			Q4 15			Q1 16			Q2 16		
	Min	Max	Avg	Min	Max	Avg	Min	Max	Avg	Min	Max	Avg
Crude oil	50	91	65.96	55	93	71.36	55.25	93	72.64	57	95	72.85
Natural gas	43.62	53	48.21	50.47	58	55.16	49.82	60	54.91	45.08	45.08	45.08
Heating oil	160	227.38	201.48	180	248.81	212.36	200	200	200	200	200	200
Brent oil	52.5	97	69.54	60	98	75.03	55	98	75.87	50	100	75.92

S&P GSCI Energy Index	%
Weekly	-5.19
Monthly	-16.15
3 Months	-16.71
6 Months	0.21
12 Months	-51.29

# Demand for Cocoa Beans Slipped 12%



**Cocoa** contracts for September delivery slipped 1.8% at \$3,181 a ton on Friday, expanding the fall in prices to 5.2% over the last two weeks. Among the reasons of such decline was weak demand figures from Asia. According to the Cocoa Association of Asia, demand for grinding dropped 12% in the second quarter from year-ago levels. However, forecasts for cocoa prices stayed positive, as Ivory Coast, biggest producer and exporter of the bean, is ready for a supply squeeze. Experts foresee new highs for cocoa of the end of the year. "With expectations of a global deficit this season, we expect prices to strengthen further, with potential spikes in the run-up to the new season in October as farmers withhold beans from the market in expectation of higher fixed prices in 2015-16", said Ecobank.

Price Changes (%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Wheat	-5.68	-11.53	5.51	-0.54	-4.96	-6.6
Corn	-7.81	-2.29	5.21	2.75	3.79	3.16
Soybeans	-6.63	-5.35	-4.5	-3.81	-13.97	-13.87
Coffee	-5.53	-9.78	-13.1	-28.21	-32.47	-32.79

**Corn and wheat** futures declined sharply just as rest of the commodities during the past week. Corn prices plummeted around 7% to \$392.12, while wheat slipped 6% to \$512.38 by Friday's closing bell. However, prices were lower on a better harvest outlook for corn and wheat than previously.

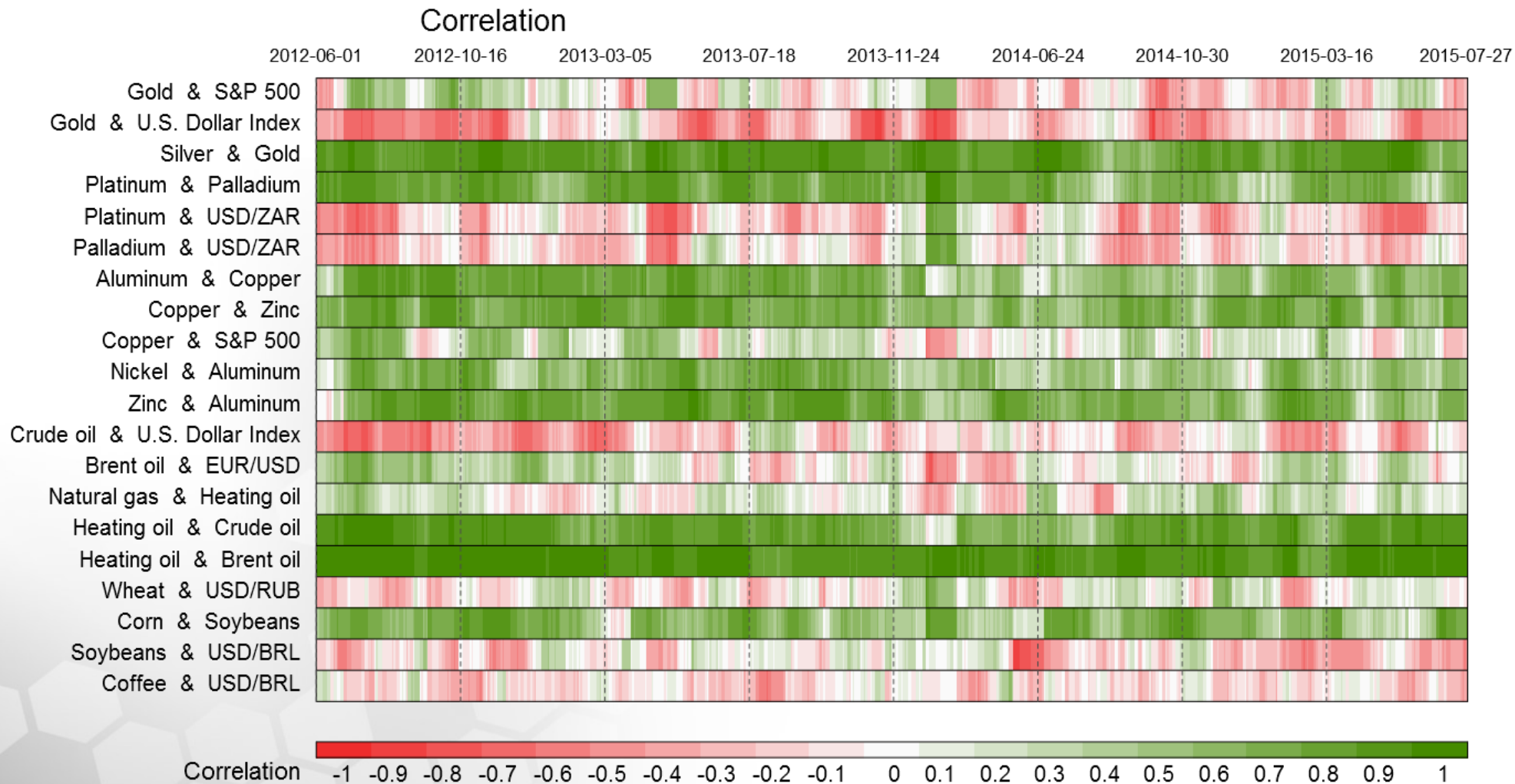
USDA Wasde Total Estimated Inventories					
	Today	Month	6 Months	YTD	3 Years
Soybens	475	-5	15.85	46.15	239.29
Green Coffee	32116	13.63	1.29	19.56	40.66
Corn	195188	1.69	-0.93	6.87	25.33
Wheat	202399	-0.45	0.99	7.31	8.96

**Soybeans** suffered a decline in price, slipping 1.9% to trade at \$9.91 ¼ a bushel for delivery in August, while best-traded new crop for November delivery closed the session 1.8% down at \$9.65 per bushel. With the latest weather forecasts being very favorable for the fall harvest, concerns over the US export demands against foreign competition are rather positive.

Farm Commodities Long-Term Price Forecasts (USD)												
	Q3 15			Q4 15			Q1 16			Q2 16		
	Min	Max	Avg	Min	Max	Avg	Min	Max	Avg	Min	Max	Avg
Corn	350	420	392.5	350	440	396.12	383	430	405.75	388	430	408.25
Coffee	110	225	183.66	100	240	186.36	184.6	220	202.3	187	210	198.5
Wheat	550	620	580.8	540	640	585.1	545	623	598	552	688	609.17
Soybeans	950	1 400	1 045.78	950	1 400	1 040.44	950	1 400	1 047.88	950	1 100	1 016.67

S&P GSCI Agriculture Index	%
Weekly	-5.76
Monthly	-7.35
3 Months	-2.3
6 Months	-7.2
12 Months	-16.02

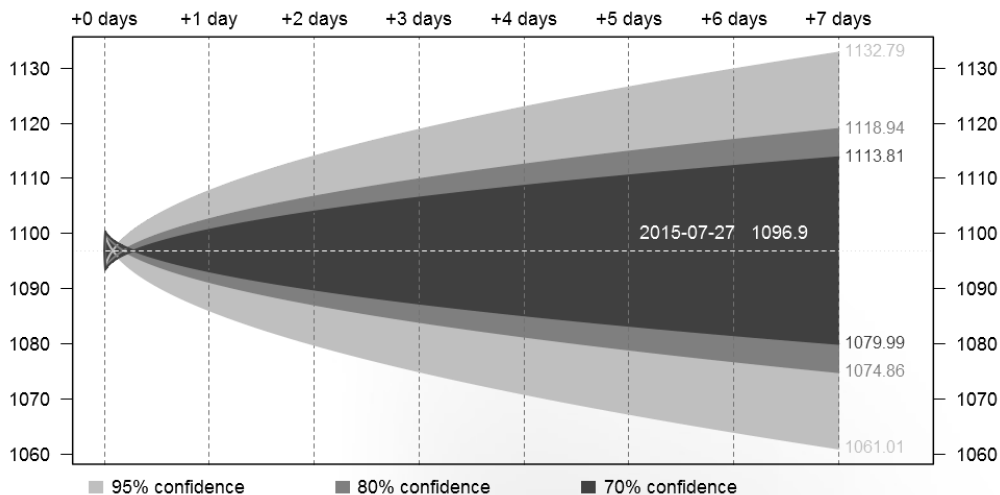
# Correlation Matrix



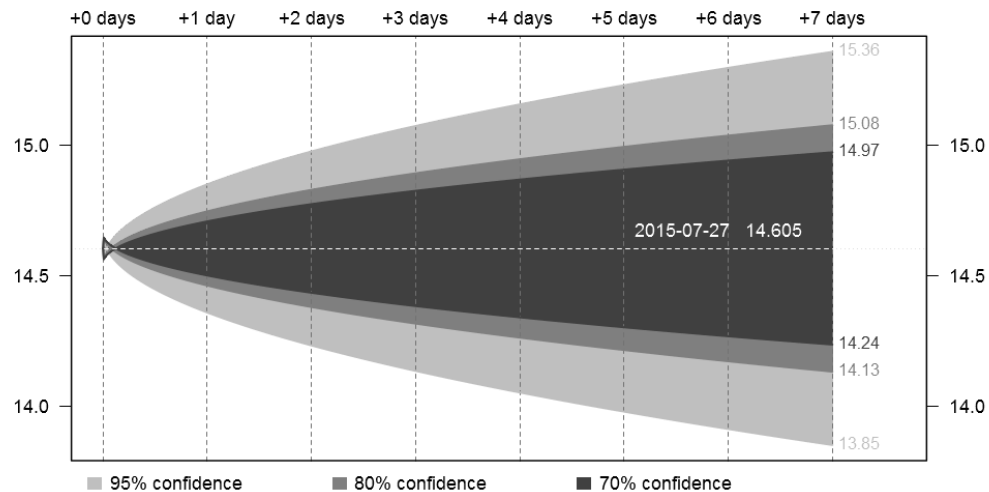
# Precious Metals Confidence Intervals for the Next 7 Days

Wednesday, July 29, 2015

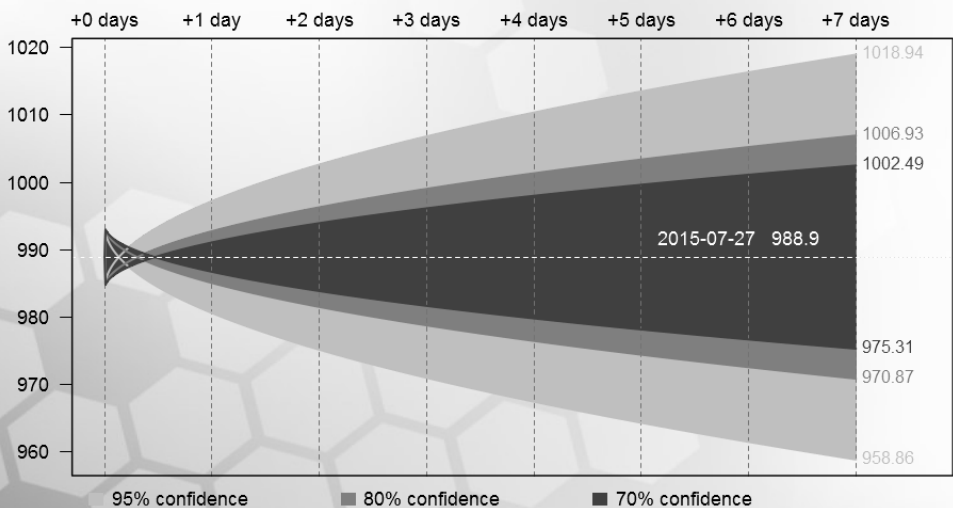
Gold Potential Rates



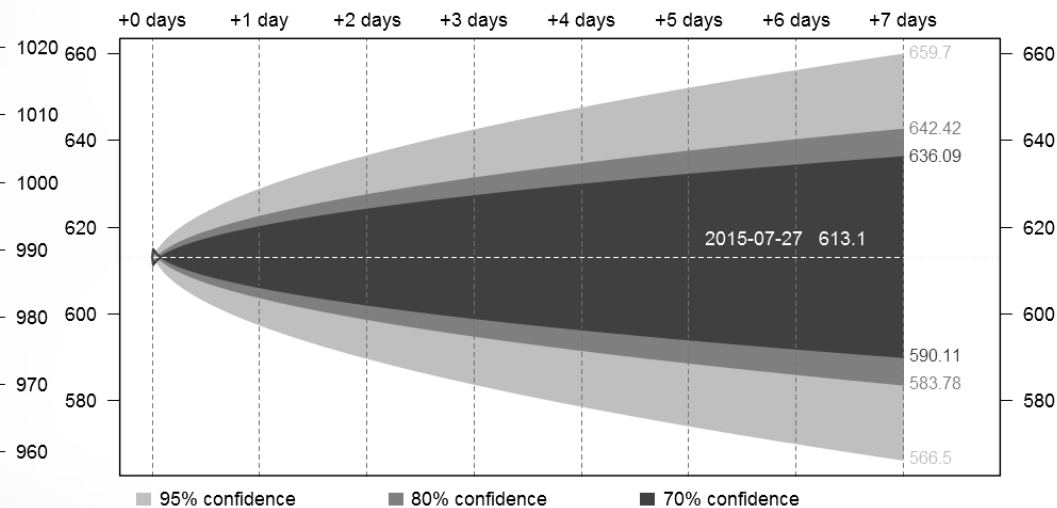
Silver Potential Rates



Platinum Potential Rates



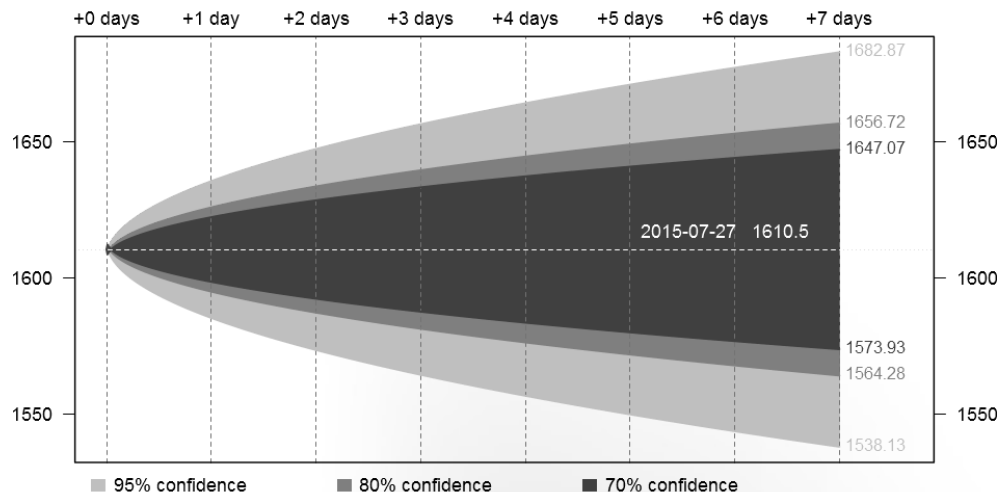
Palladium Potential Rates



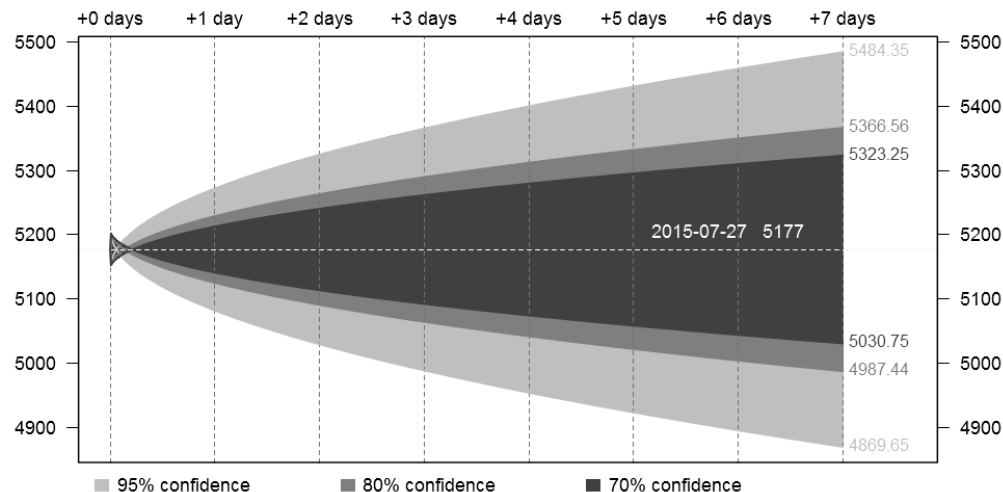
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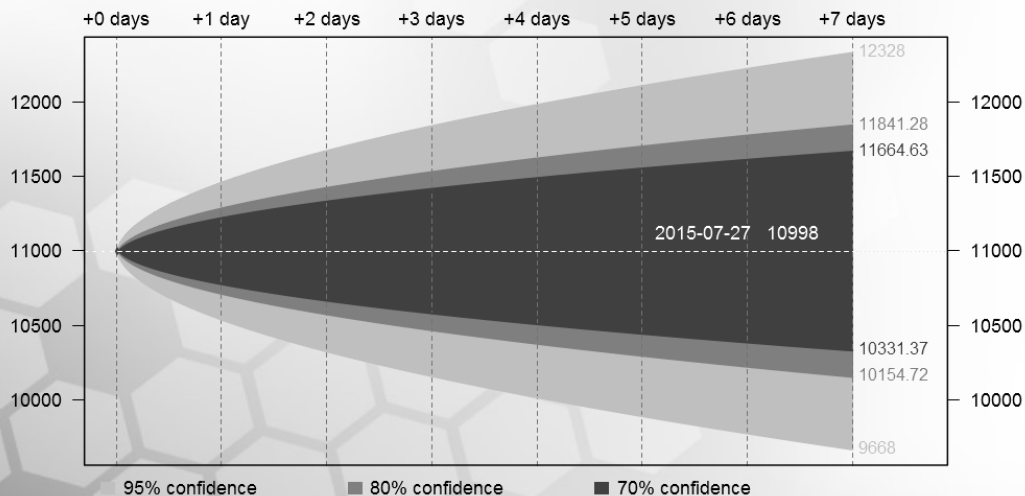
Aluminum Potential Rates



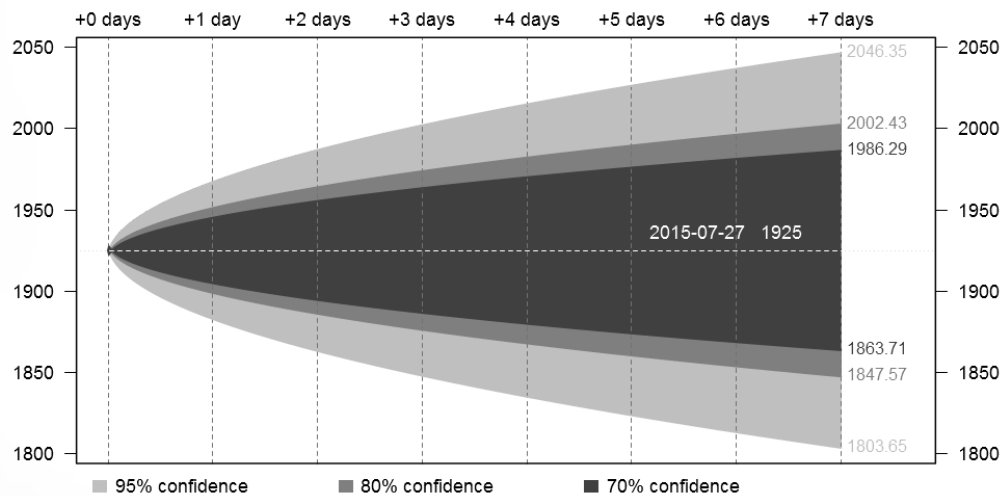
Copper Potential Rates



Nickel Potential Rates



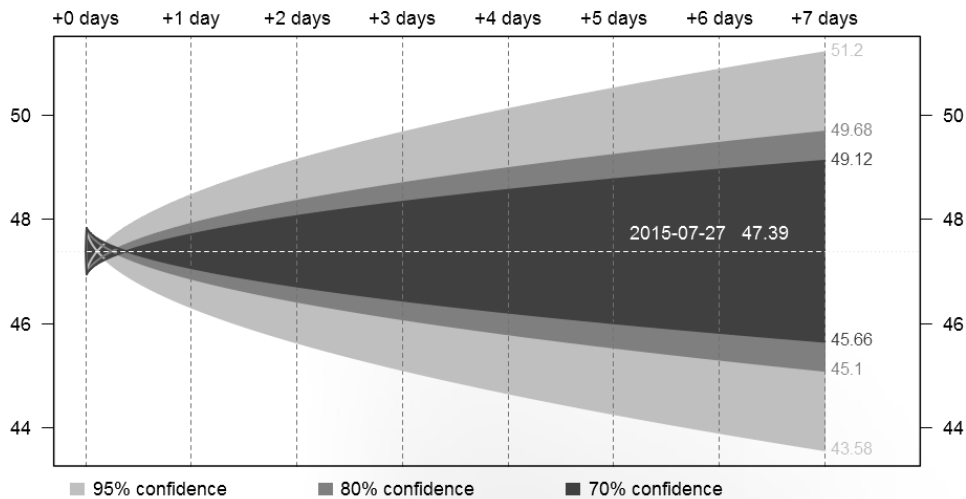
Zinc Potential Rates



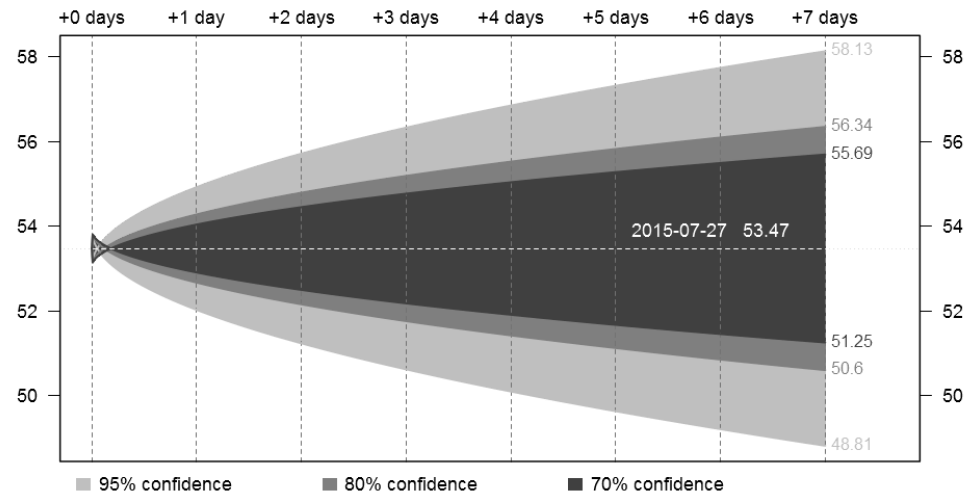


# Energy Confidence Intervals for the Next 7 Days

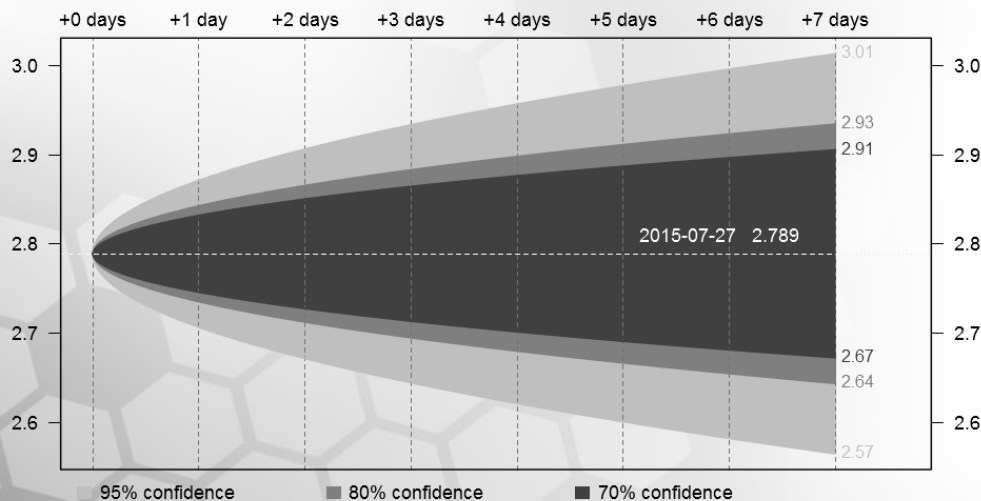
Crude oil Potential Rates



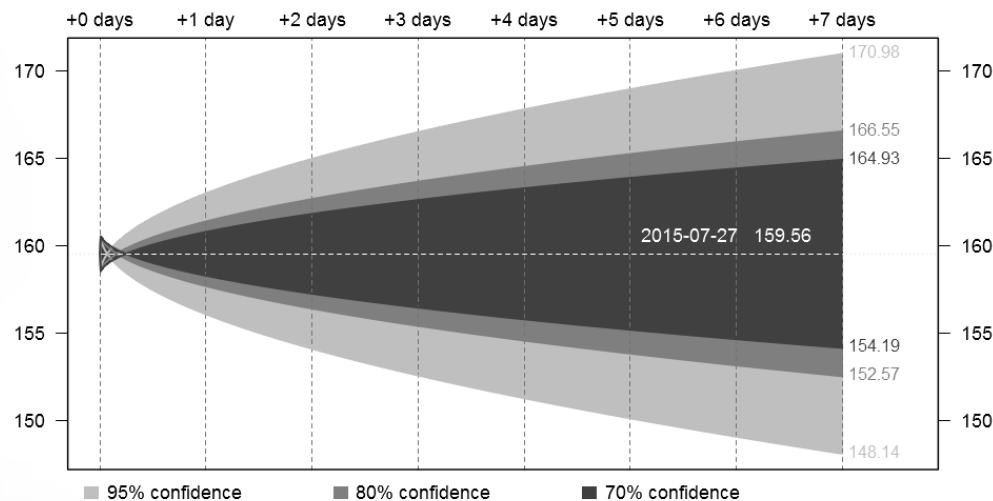
Brent oil Potential Rates



Natural gas Potential Rates



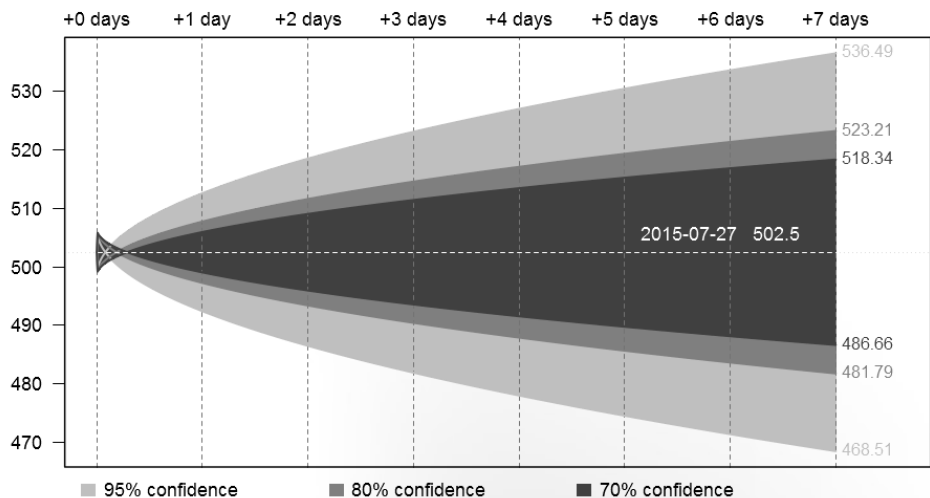
Heating oil Potential Rates



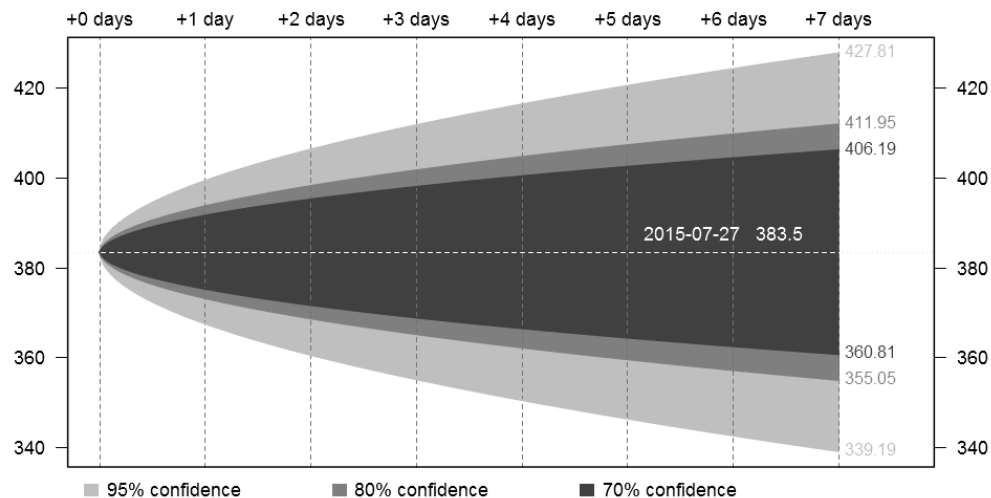
# Agriculture Confidence Intervals for the Next 7 Days

Wednesday, July 29, 2015

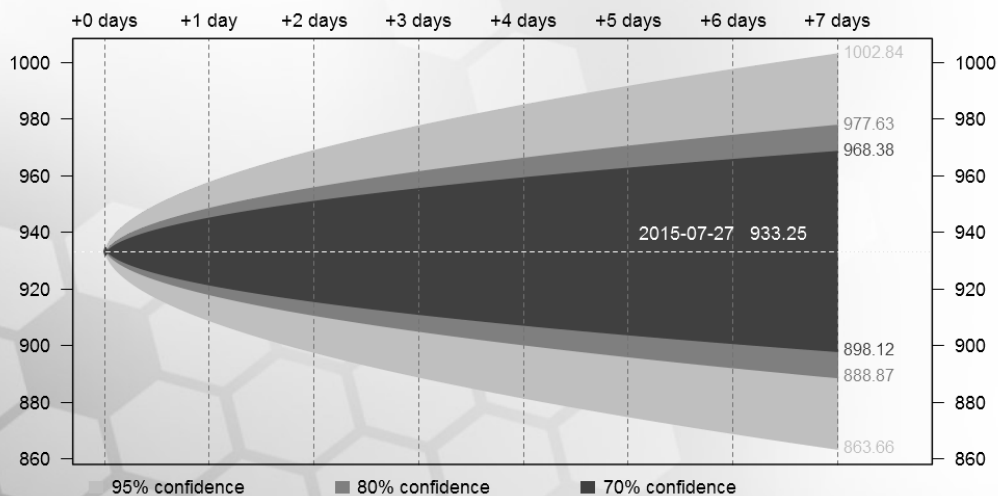
Wheat Potential Rates



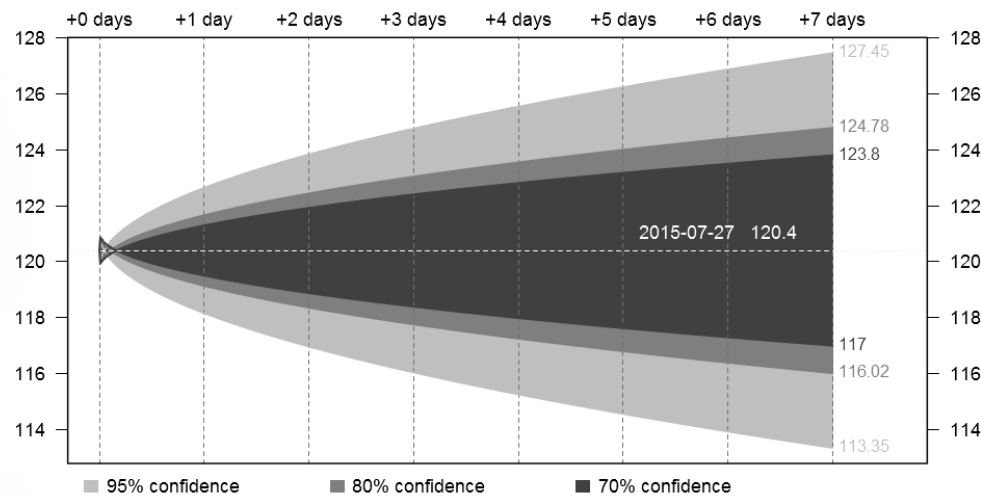
Corn Potential Rates



Soybeans Potential Rates



Coffee 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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- Market Research
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- Dukascopy Sentiment Index
- Trade Pattern Ideas
- Global Stock Market Review
- Commodity Overview
- Economic Research
- Quarterly Report
- Aggregate Technical Indicator

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