



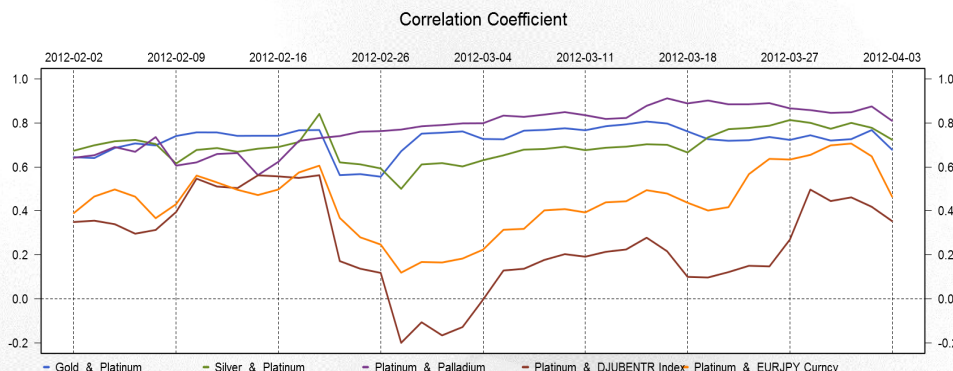
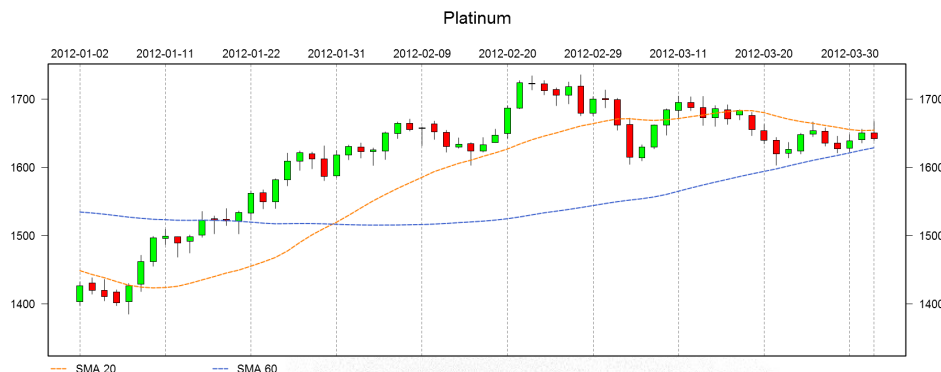
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RESEARCH PRODUCTS

04/04/2012



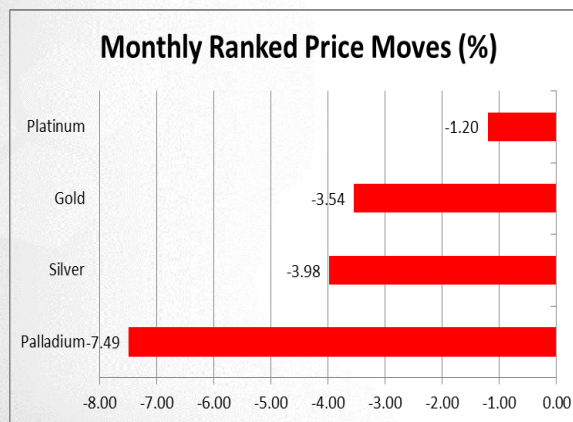
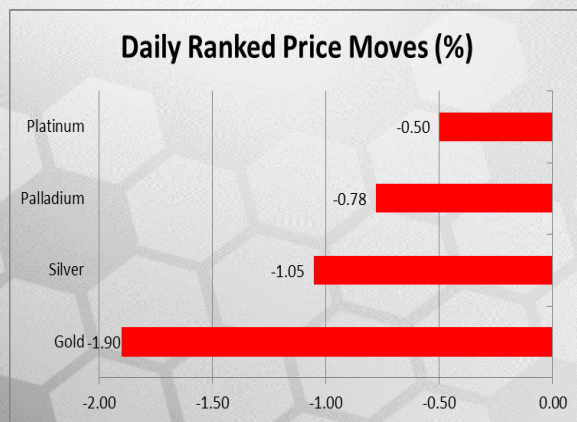
Commodity Overview

Precious Metals



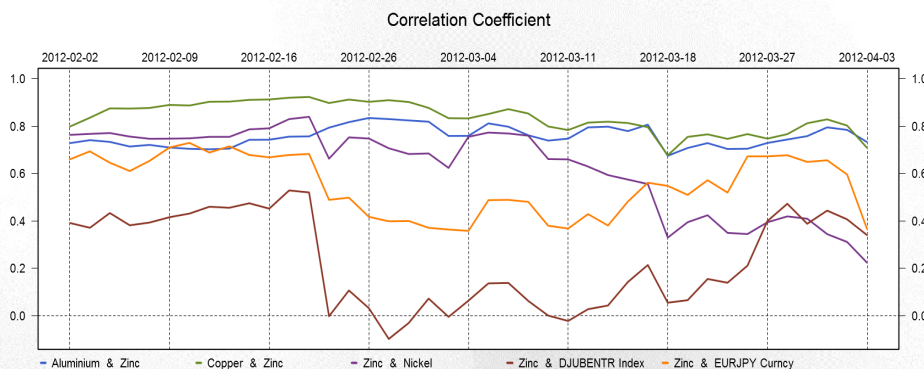
Precious metals tumbled on Tuesday amid fading hopes for new rounds of quantitative easing in the world's largest economies. Fed minutes from the last meeting indicated that stronger economic recovery of the US has put officials off any easing of the current policies. Moreover, today's meetings of the Bank of England and the ECB are not likely to result in new monetary stimulus due to positive signs in the Euro Zone's economy. Gold was the top-loser. The yellow metal came under additional pressure as demand from India remains weak because of recent gold import duty hike. At the same time silver, platinum and palladium found some support on the improved automobile sales in the US and Japan. Platinum was also exposed to the report on an essential net loss of Wesizwe Platinum.

Interchange between platinum and other precious metals weakened after the Fed released its minutes that erased previous gains of the commodity pack. Meanwhile, platinum's link to the Dow Jones-UBS Energy Index (DJUBENTR) deteriorated from 0.42 to 0.30 whereas tie between platinum and EUR/JPY dropped from 0.65 to 0.46 along with upbeat Japan's economic data releases.



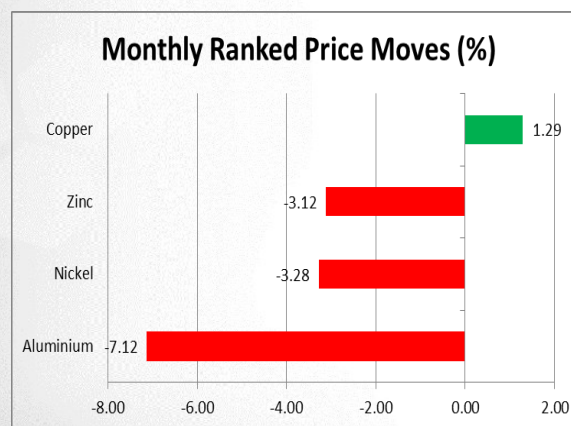
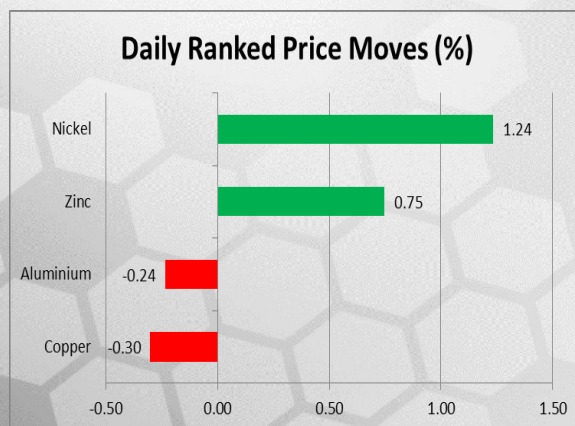
Dow Jones-UBS Precious Metals Index	chg %
1 day	-0.23
1 week	-0.24
1 month	-1.85
3 months	5.99
6 months	2.07
12 months	7.46
1 year	5.99

Industrial Metals



Industry metals were mixed on Tuesday amid broadly stronger US Dollar and weaker equities. Vanishing hopes for quantitative easing from both sides of the Atlantic weighted down on the base metals pack. Fed minutes indicated its unwillingness to provide additional monetary stimulus while the Bank of England and the ECB are expected to keep their policies unchanged. Copper and aluminum were among the losers as demand perspectives remained weak because of elevated inventory levels worldwide. Nickel was the top-performer amid improved spot demand. Meanwhile, zinc continued to draw strength from positive PMI releases from the US and China earlier this week. However, the upswing may be limited by stockpiling at the LME warehouses.

Correlation between zinc and other base metals tumbled as zinc showed resilience to diminishing likelihood of monetary easing. In the similar fashion, zinc's link to the Dow Jones-UBS Energy Index (DJUBENTR) weakened from 0.41 to 0.34 following Fed minutes while its correspondence with EUR/JPY dropped from 0.59 to 0.37.

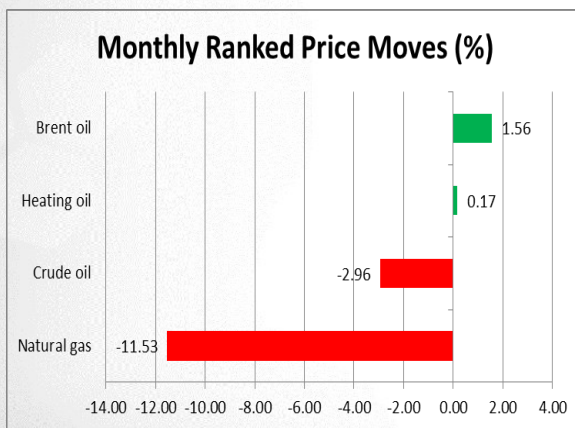
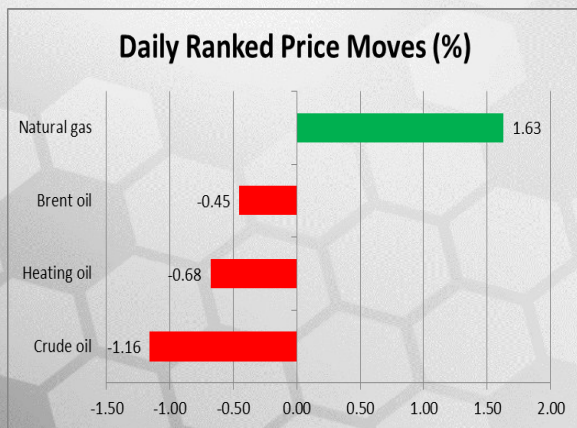
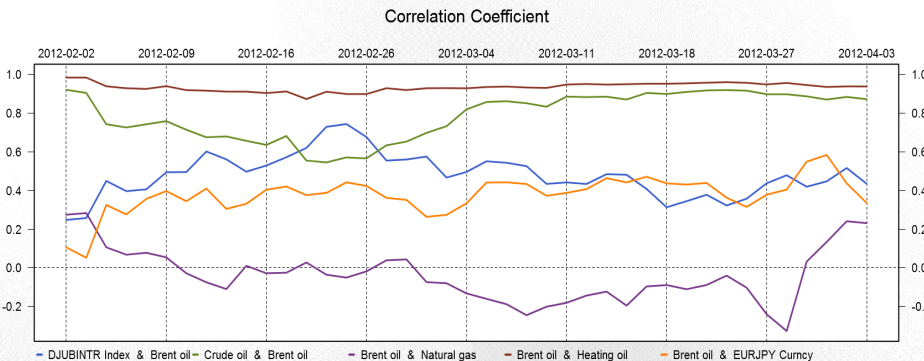
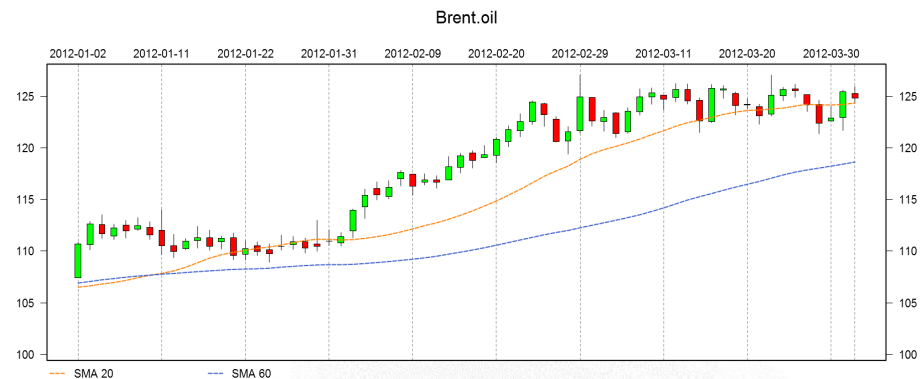


Dow Jones-UBS Industry Metals Index	chg %
1 day	0.20
1 week	-0.28
1 month	-2.78
3 months	4.95
6 months	7.06
12 months	-18.23
1 year	4.95

Energy

Energy commodities apart from natural gas were lower on Tuesday following the news on absence of any changes in the US monetary policy. However, US growth remains sluggish thus, from the demand side, the commodity group did not gain a fresh spree. Geopolitical tensions also eased after Western nations and Iran agreed to meet on April 13-14 to discuss Iran's nuclear programme. Meanwhile, investors are cautious ahead of the IEA report that is expected to show a fall in the US crude oil inventories. Natural gas was the only gainer, being buoyed by dip buying after it retested 10-yr low. Forecasts on cooler weather in the US also bolstered natural gas futures.

Alternation between Brent oil and the Dow Jones-UBS Industry Metals Index (DJUBINTR) declined from 0.52 to 0.44 amid vanishing likelihood of quantitative easing in the US. Brent oil's link to other energy commodities weakened as the market lacks fresh impulse for further price moves. At the same time Brent oil's tie to EUR/JPY deteriorated from 0.43 to 0.33 after positive economic data releases from Japan.

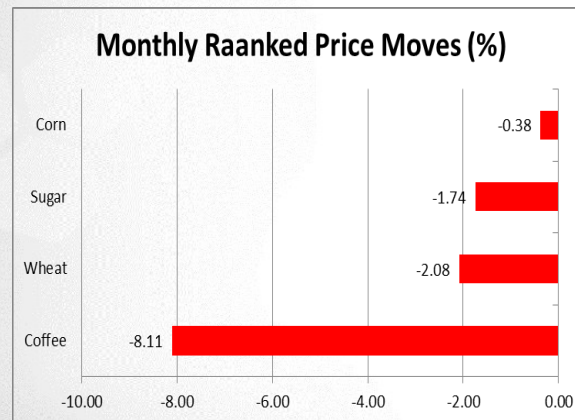
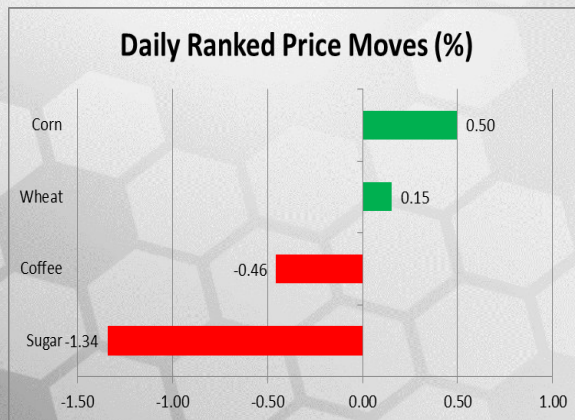
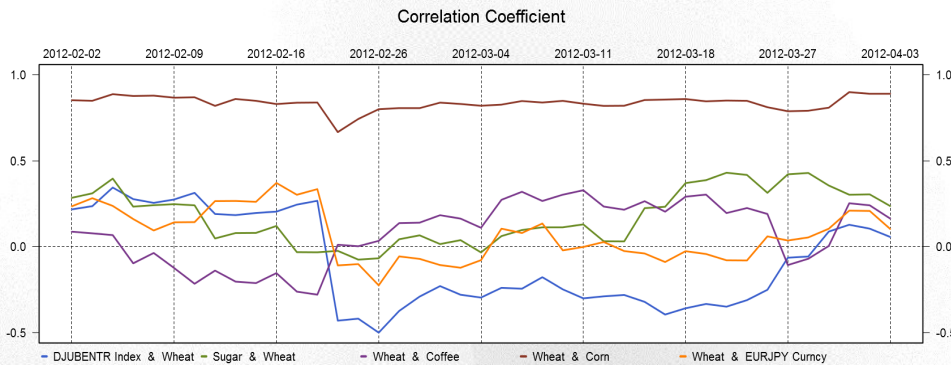
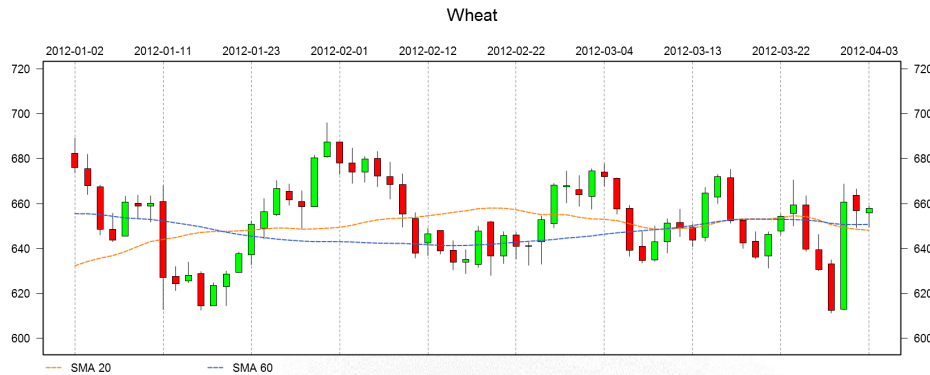


Dow Jones-UBS Energy Index	chg %
1 day	-0.06
1 week	-2.19
1 month	-3.18
3 months	-7.20
6 months	-0.67
12 months	-25.16
1 year	-7.20

Agriculture

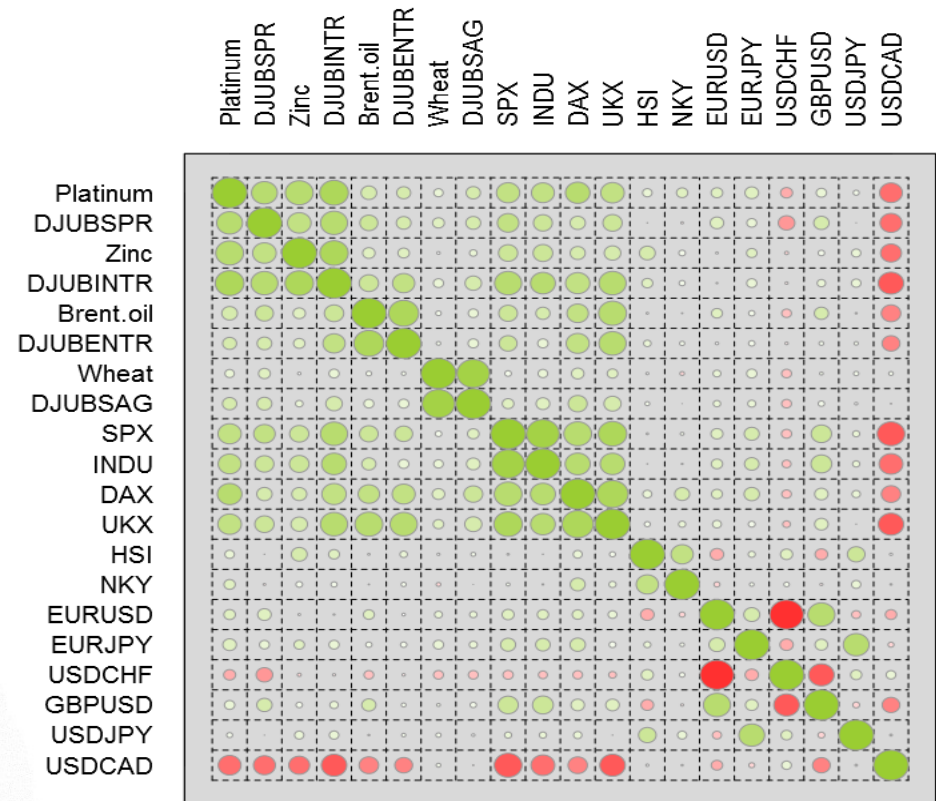
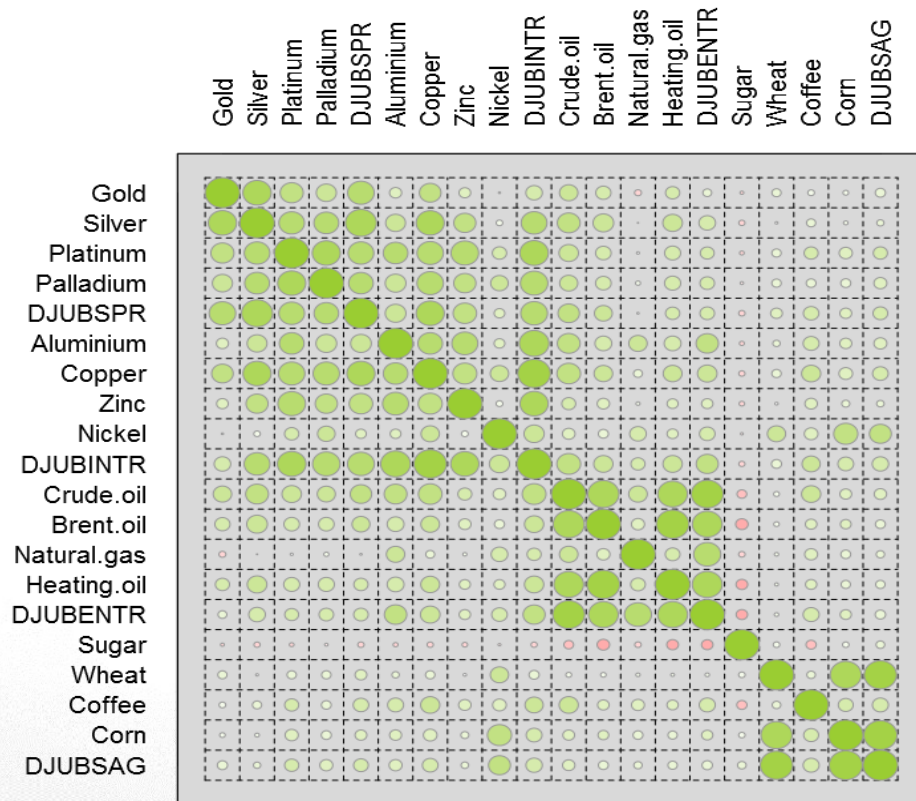
Rural commodities were mixed as grains moved higher while coffee and sugar declined amid stronger US dollar. Wheat was backed up by speculation that more wheat will be used as animal feed in the US because corn prices are growing. However, the upward move was blocked as favorable weather in the US Great Plains and in Europe is likely to boost global supplies. Corn continued to seek support on the strong spot demand after inventories declined to eight-year low. Adding to the negative mood of sugar, Barclays reported it expects surplus in the market, especially after India's recent approval of more exports of the sweetener. Further, coffee may bounce off the record lows if dry weather in Brazil continues.

Correspondence between wheat and the Dow Jones-UBS Energy Index (DJUBENTR) declined from 0.11 to 0.06, indicating low correlation between the grain and the energy commodities. Meanwhile, tie between wheat, sugar and coffee weakened while its connection to corn remained stable at two-month high of 0.90. Wheat's relationship with EUR/JPY deteriorated from 0.21 to 0.10.



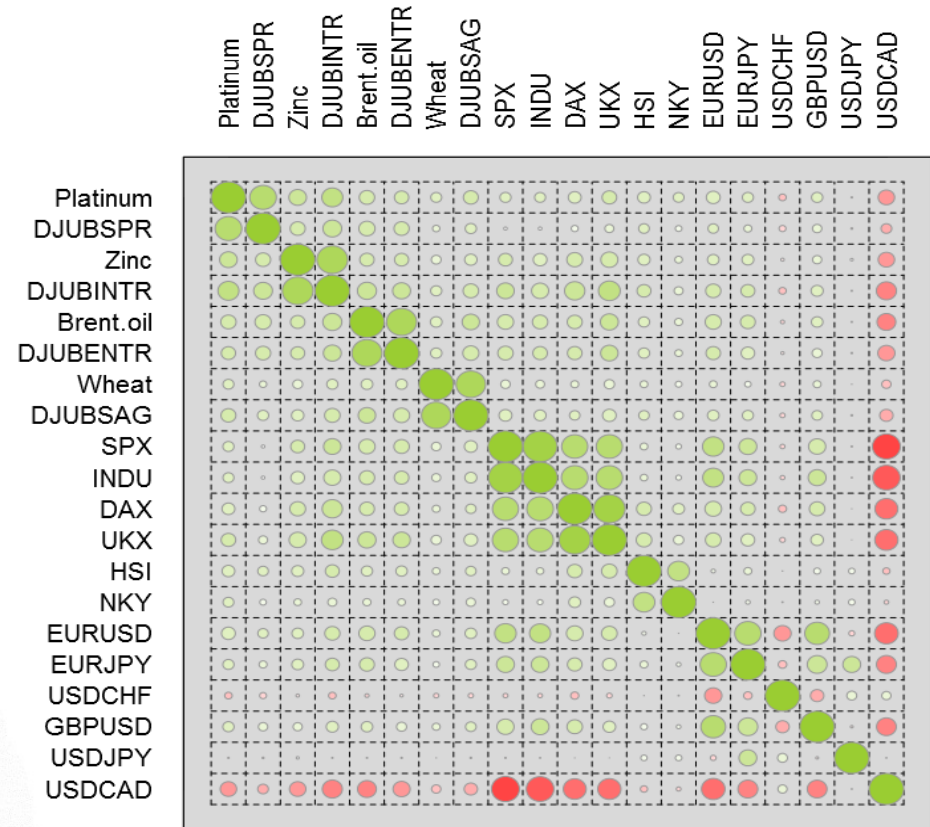
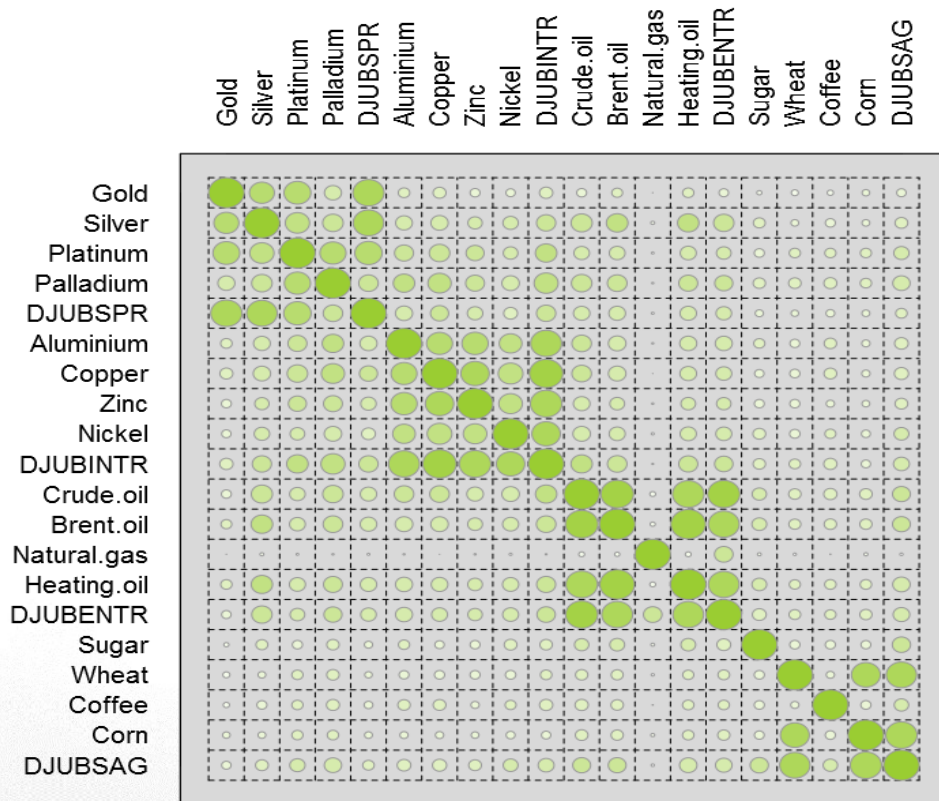
Dow Jones-UBS Agriculture Index	chg %
1 day	-0.23
1 week	2.33
1 month	0.94
3 months	1.91
6 months	5.53
12 months	-15.58
1 year	1.91

20-day weighted correlation matrix



DJUBSPR-Dow Jones-UBS Precious Metals Index, DJUBINTR-Dow Jones Industry Metals Index, DJUBENTR-Dow Jones-UBS Energy Index, DJUBSAG, Dow Jones-UBS Agriculture Index, SPX - S&P 500, INDU - Dow Jones Industrial Average, DAX - German DAX 30, UKX - UK FTSE 100, HSI - Hang Seng, NKY - Nikkei 225

1-year weighted correlation matrix



DJUBSPR-Dow Jones-UBS Precious Metals Index, DJUBINTR-Dow Jones Industry Metals Index, DJUBENTR-Dow Jones-UBS Energy Index, DJUBSAG, Dow Jones-UBS Agriculture Index, SPX - S&P 500, INDU - Dow Jones Industrial Average, DAX - German DAX 30, UKX - UK FTSE 100, HSI - Hang Seng, NKY - Nikkei 225

EXPLANATIONS

Commodities

- **Gold** - spot 995 fine gold
- **Silver** - spot 999 fine silver
- **Platinum** - spot platinum with minimum purity 99.95%
- **Palladium** - spot palladium with minimum purity 99.95%
- **Aluminium** - three months forward aluminum contract on the London Metal Exchange
- **Copper** - three months forward copper contract on the London Metal Exchange
- **Zinc** - three months forward zinc contract on the London Metal Exchange
- **Nickel** - three months forward nickel contract on the London Metal Exchange
- **Crude oil** - light, sweet crude oil active contract on the New York Mercantile Exchange
- **Brent oil** - Brent oil active contract on the New York Mercantile Exchange
- **Natural Gas** - natural gas active contract on the New York Mercantile Exchange
- **Heating oil** - heating oil active contract on the New York Mercantile Exchange
- **Sugar** - white sugar on the LIF-NYSE LIFFE London Exchange
- **Wheat** - wheat active contract on the Chicago Board of Trade
- **Coffee** - benchmark Arabica coffee active contract on the NYB-ICE Futures Exchange
- **Corn** - corn active contract on the Chicago Board of Trade

Indices

- **Dow Jones-UBS Precious Metals Subindex Total Return** - commodity group subindex composed of gold and silver; the index reflects return on underlying commodity futures price movement
- **Dow Jones-UBS Industry Metals Subindex Total Return** - commodity group subindex composed of futures contracts on aluminium, copper, nickel and zinc; the index reflects return on fully collateralized futures positions
- **Dow Jones-UBS Energy Subindex Total Return** - commodity group subindex composed of futures contracts on crude oil, heating oil, unleaded gasoline and natural gas; the index reflects return on fully collateralized futures positions
- **Dow Jones-UBS Agriculture Subindex Total Return** - commodity group subindex composed of futures contracts on coffee, corn, cotton, soybeans, soybean oil, sugar and wheat; the index reflects return on fully collateralized futures positions

Chart

- **SMA (20)** - Simple Moving Average of 20 periods
- **SMA (60)** - Simple Moving Average of 60 periods
- **Correlation** - a statistical measure of the linear relationship of two random variables. It is defined as the covariance divided by the standard deviation of two variables

Indicators

Daily Ranked Price Moves - daily price changes in an ascending order for positive changes and in a descending order for negative or mixed changes

Monthly Ranked Price Moves - monthly price changes in an ascending order for positive changes and in a descending order for negative or mixed changes



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