



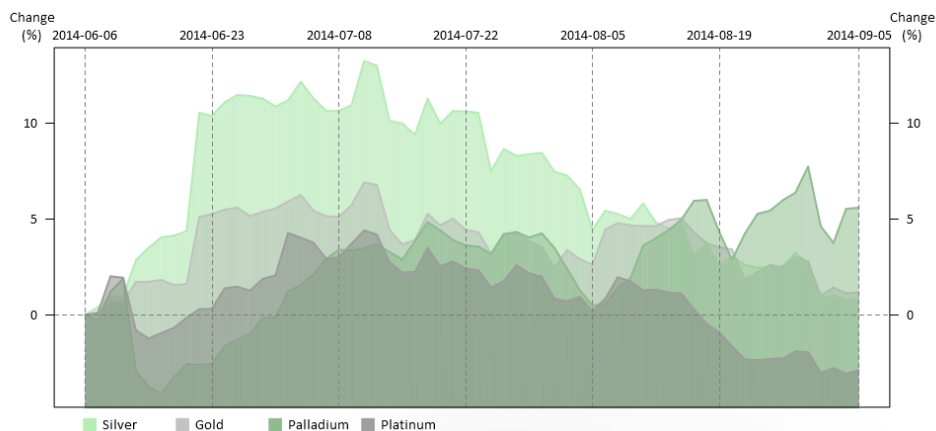
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08/09/2014



Weekly Commodity Overview

Precious Metals Decline on Russia-Ukraine Talks



Gold gave up its bullish intentions and declined past week, after posting gains in the week before. The yellow metal slid 1.56% in the week from 1st to 5th of September. The main drivers through the week were the jobs data from the U.S. and the talks between Russia and Ukraine. Also, it is likely that Europe's need to continue to provide stimulus, whereas the U.S. pulling back the reins is going to be major headwinds for gold. Gold is set for its first quarterly loss this year on signs that the U.S. economy is gaining pace, spurring the speculations and possibilities for the Fed to raise its benchmark interest rate for the first time since 2006. At the end of the week Bullion recovered from 11-week low as U.S. employers added fewer jobs than expected, namely 142,000.

In the mean time, **silver** prices fell even more than its yellow peer's. The metal has declined the most compared to other precious metals, posting 4.33% monthly losses. Nonetheless, it is the only precious metal which inventories grew (1.68%) in the same period of time. Silver traded at \$19.156 an ounce on Friday.

Both **Platinum** and **Palladium** slipped on Russia-Ukraine talks. Platinum lost 0.96%, while Palladium retreated 1.99% last week. As the new sanctions against Russia were still not announced the long-term fundamentals remained intact. Both metal inventories were little changed. According to Johnson Matthey Plc, Palladium and Platinum demand this year will exceed mine output by the most ever, thus the price should continue to increase.

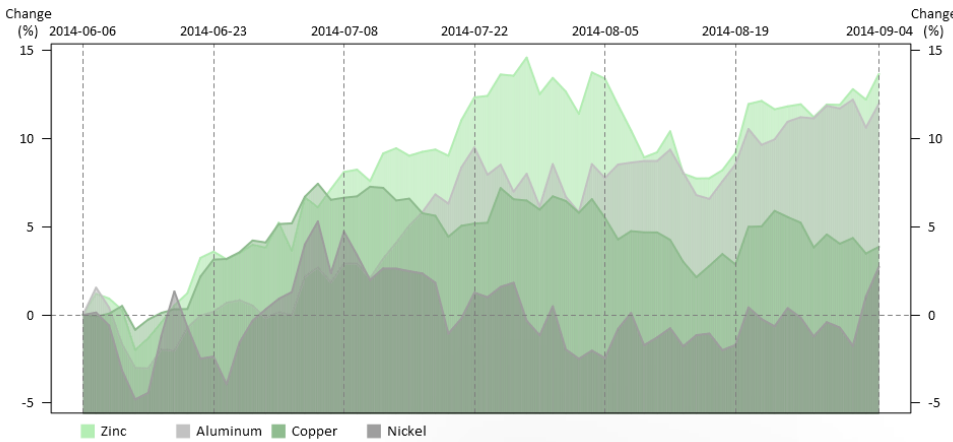
Price Changes (%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Gold	-1.56	-3.13	1.18	5.32	-8.83	-7.7
Silver	-1.72	-4.33	0.87	-1.68	-18.19	-17.63
Platinum	-0.96	-3.7	-2.89	5.57	-5.6	-4.8
Palladium	-1.99	5.01	5.59	28.18	27.67	29.72

Changes in Total Known ETF Holdings (%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Gold	-0.77	-0.92	-0.16	-2.34	-12.09	-12.3
Silver	0.29	1.68	0.06	0.91	-0.41	-0.81
Platinum	-0.12	-3.63	-1.38	8.93	22.49	22.96
Palladium	0.32	-4.2	0.03	40.62	32.87	32.52

Precious Metals Long-Term Price Forecasts (USD per ounce)												
	Q3 14			Q4 14			Q1 15			Q2 15		
	Min	Max	Avg	Min	Max	Avg	Min	Max	Avg	Min	Max	Avg
Gold	1 070	1 760	1 296.21	1 025	1 743	1 286.33	970	1 450	1 248.58	915	1 488	1 229.32
Silver	17	35	20.78	17	34	21.05	18	27	20.51	18	28.42	20.62
Platinum	1 320	1 835	1 515.96	1 369	1 820	1 540.52	1 400	1 900	1 561.71	1 425	1 900	1 579.47
Palladium	630	880	814.77	675	900	834.54	705	915	847.32	720	930	856.7

S&P GSCI Precious Metals Index	%
Weekly	-1.58
Monthly	-3.31
3 Months	0.99
6 Months	4.17
12 Months	-8.67

Industrial Metals Gain on Stronger-Than-Expected U.S. Housing Data



Aluminum added 0.75% in the previous week. The largest U.S. aluminum producer Alcoa Inc. on August 25th stated that it will permanently close an Italian factory due to too big expenses, this will reduce its annual smelting capacity by 150,000 tons to 3.6 million tons. Also, it is worthy of reminding that Aluminum production in Brazil, they own the world's third-largest ore reserves, decreased in July to the lowest level since 1996.

Copper did little changed last week. On Tuesday the metal gained as U.S. manufacturing expanded at the fastest pace in three years and construction spending reversed its previous losses. A better data in U.S. construction is a bullish sign, as the nation is the world's second biggest copper consumer after China. Copper closed at \$6949.5 a metric ton on Friday. The metal's inventories climbed by 4.42%, which is a significant increase compare to other industrial metals less than a percent advances.

Nickel and Zinc both posted great results. Nickel advanced 3.99% reaching a seven-week high, adding to the metal's significant more than 35% of gains in the last six months. The main catalyst for nickel was the concern that the Philippines will bar ore exports, increasing Asian supply woes. According to Commerzbank AG, even if timing is still unclear, the announcement of the initiative has give rise to nervousness on the market. However, Zinc rose 2.21% through the last week and at the close it reached \$2389.75 a metric ton.

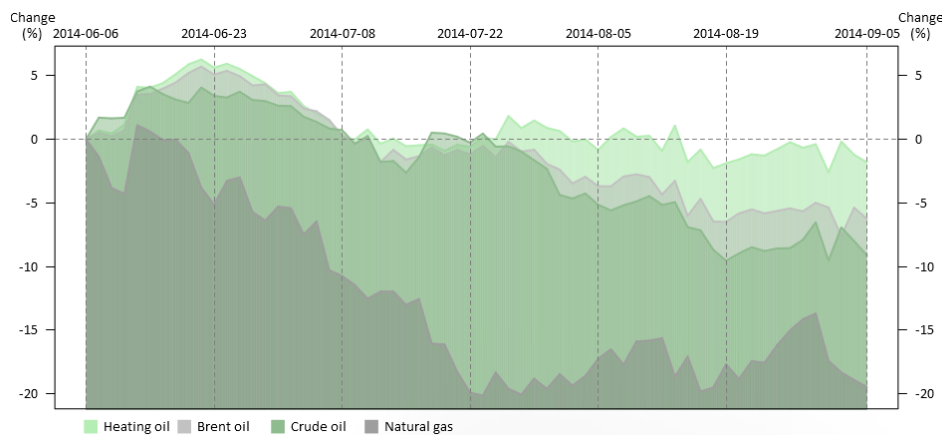
Price Changes (%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Aluminum	0.75	3.91	11.98	20.92	16.95	19.17
Copper	0.04	-1.56	3.86	-4.72	-3.84	-2.15
Nickel	3.99	5.31	2.73	36.96	41.76	41.96
Zinc	2.21	0.24	13.68	15.11	27.32	29.81

Changes in LME inventories(%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Aluminum	-0.74	-3.42	-7.61	-9.92	-11.12	-11.39
Copper	4.42	7.17	-7.79	-42.49	-73.71	-74.36
Nickel	0.87	4.44	16.9	22.68	53.84	54.86
Zinc	0.38	10.24	5.03	-5.01	-25.2	-25.42

Industrial Metals Long-Term Price Forecasts (USD)												
	Q3 14			Q4 14			Q1 15			Q2 15		
	Min	Max	Avg	Min	Max	Avg	Min	Max	Avg	Min	Max	Avg
Copper	5 750	8 762	6 937.26	5 750	8 487	6 946.71	6 275	8 500	6 930.5	6 175	8 300	6 973.22
Zinc	1 800	2 403	2 151.11	1 800	2 450	2 188.89	1 979	2 500	2 229.29	1 979	2 550	2 293.86
Aluminum	1 720	2 271	1 893.31	1 756	2 215	1 935.17	1 772	2 100	1 950	1 780	2 150	1 972.64
Nickel	14 000	21 491	17 796.32	14 000	22 000	18 222.93	14 881	24 000	19 539.29	14 881	25 000	20 098.67

S&P GSCI Industry Metals Index	%
Weekly	0.17
Monthly	1.34
3 Months	6.7
6 Months	5.8
12 Months	6.4

Energy Futures Fall, With Natural Gas Plummeting 7%



WTI oil and Brent Oil fell 2.78% and 1.32%, respectively. Already at the beginning of the week Brent crude futures tumbled to a 16-month low and West Texas Intermediate slumped to the lowest level since the first month of the year on worries that slower manufacturing from China to Europe could decrease global oil demand. On the second part of the week Brent managed to reverse some of the losses after Russia and Ukraine agreed on steps forward truce in the five-month conflict. Meanwhile, the disappointing U.S. jobs data on Friday sent Crude oil lower again and it closed the week at \$93.29 a barrel. According to Mizuho Securities USA Inc., the bias right now is bearish and there are a lot of blinking lights out there that caution one to be bearish.

Natural gas dropped 6.69% as the inventories increased to the highest level in more than a four years and as Ukraine agreed to cease the fire. The European Union had 73.2 billion cubic meters of gas in storage as of September 5th, making it the highest level of supply since at least November 2009, according to Gas Infrastructure Europe. Moreover, according to Tradition Financial Services Ltd., all fundamentals are bearish, geopolitics is the only bullish thing and geopolitics are constantly changing, while fundamentals remain constant.

Heating oil slipped 1.43%. According to PJK International BV, combined inventories of diesel and heating oil in Europe's oil-trading center, have reached their peak since March 2012. While Heating oil storage tanks at commercial storage in Germany are 37.7% full.

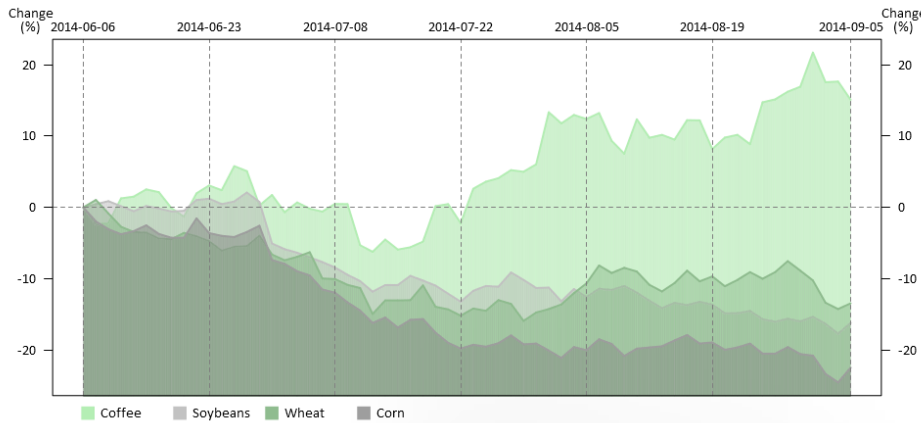
Price Changes (%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Crude oil	-2.78	-3.75	-9.13	-5.98	-13	-13.92
Brent oil	-1.32	-2.64	-6.24	-9	-11.38	-11.65
Natural gas	-6.69	-3.56	-19.47	-15.13	2.99	6.1
Heating oil	-1.43	-1.98	-1.81	-8.42	-10.13	-10.21

Changes in U.S. inventories (%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Crude oil	-0.25	-2.12	-7.69	-1.17	-0.18	-0.68
Gasoline	-1.09	-3.78	-0.85	-8.3	-2.78	-3.59
Natural Gas	3	17.43	80.72	126.51	-15.03	-13.45
Distillate Fuel	0.49	-2.62	4.49	7.79	-4.77	-4.37

Energy Futures Long-Term Price Forecasts (USD)												
	Q3 14			Q4 14			Q1 15			Q2 15		
	Min	Max	Avg	Min	Max	Avg	Min	Max	Avg	Min	Max	Avg
Crude oil	80	115	100.02	70	120	98.08	85	118	100.33	85	107	97.92
Natural gas	39	65.1	52.7	54	70.1	62.6	59	65	62	52	58	55
Heating oil	286	300	295	290	305	297	288	300	295.25	267	300	284.5
Brent oil	90	124	106.64	85	128	105.34	85	124	106.33	85	112	103.81

S&P GSCI Energy Index	%
Weekly	-2.74
Monthly	-5.47
3 Months	-16.73
6 Months	-11.56
12 Months	-16.97

Agriculture Futures Decline On Expected Record Crops



Wheat futures dropped the most on bets that favorable weather will boost crops in the U.S. and Canada, which both are among the export leaders globally. According to Commodity Weather Group, the weather conditions will be “favorably drier” for spring wheat in the northern U.S. and Canadian Prairies this month. Moreover, wheat supply before this year’s harvest in Canada, which is the world’s second biggest exporter, jumped 93.9% compared to the previous year. Wheat inventories rose to 9.80 million metric tons as of July 31 from 5.05 million tons a year earlier, according to Statistics Canada report on September 5th.

Meanwhile, **Corn** extended its retreat as its prices slipped 2.4% last week. Corn prices dropped to the lowest level since 2010 on Thursday as crop conditions in the U.S. improved, fueling expectations that this year’s production will be the highest ever.

Soybeans slid just slightly (0.27%) on more than expected supply. The overall situation among the agriculture investments worsened on possible record crops and the promise of improving meat inventories. The farmers are expected to reap a record 3.816 billion bushels of soybeans, according to the U.S. Department of Agriculture.

Coffee futures jumped to the 17 week high on worries that the dry weather could hurt crops in Brazil on September 2nd; however, by the end of the trading week the prices were at \$1.9805 a pound. The estimate of Brazil’s robusta was raised to 17.5 million bags from 17.1 million bags, while Indonesia’s robusta production is expected to fall to 7.5 million bags from 10.5 million bags, according to Volcafe Ltd.

Price Changes (%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Wheat	-5.01	-5.77	-13.42	-11.71	-17.18	-16.4
Corn	-2.4	-4.88	-22.44	-18.07	-24.17	-22.78
Soybeans	-0.27	-5.42	-16.18	-22.77	-24.47	-25.3
Coffee	-1.57	1.64	15.08	72.59	69.49	69.49

USDA Wasde Total Estimated Inventories					
	Today	Month	6 Months	YTD	3 Years
Soybens	325	116.67	22.64	150	71.05
Green Coffee	32116	-10.86	5.21	-10.8	21.71
Corn	182647	5.32	20.29	32.17	63.24
Wheat	188609	2.34	4.06	7.41	2.36

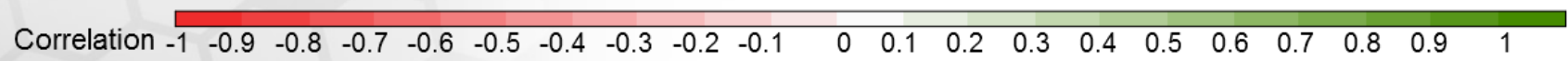
Farm Commodities Long-Term Price Forecasts (USD)												
	Q3 14			Q4 14			Q1 15			Q2 15		
	Min	Max	Avg	Min	Max	Avg	Min	Max	Avg	Min	Max	Avg
Corn	360	570	438.4	350	550	438	350	500	437.38	350	500	446
Coffee	160	200	178	150	200	175.5	140	225	178.06	120	225	174.76
Wheat	525	630	580.3	500	624	577.9	500	620	580.56	525	640	599.67
Soybeans	1 100	1 400	1 266.5	1 000	1 366	1 184.6	1 000	1 383	1 188.5	1 000	1 411	1 208.25

S&P GSCI Agriculture Index	%
Weekly	1.53
Monthly	-2.85
3 Months	-5.35
6 Months	-3.21
12 Months	-6.14

Correlation Matrix

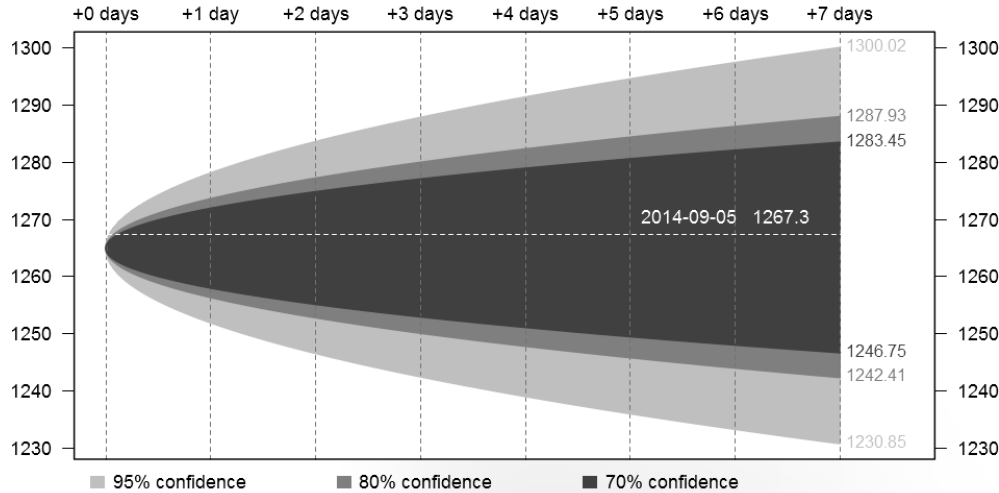
Correlation

2012-06-01 2012-09-05 2012-12-10 2013-03-17 2013-06-20 2013-09-19 2013-12-18 2014-06-06 2014-09-05

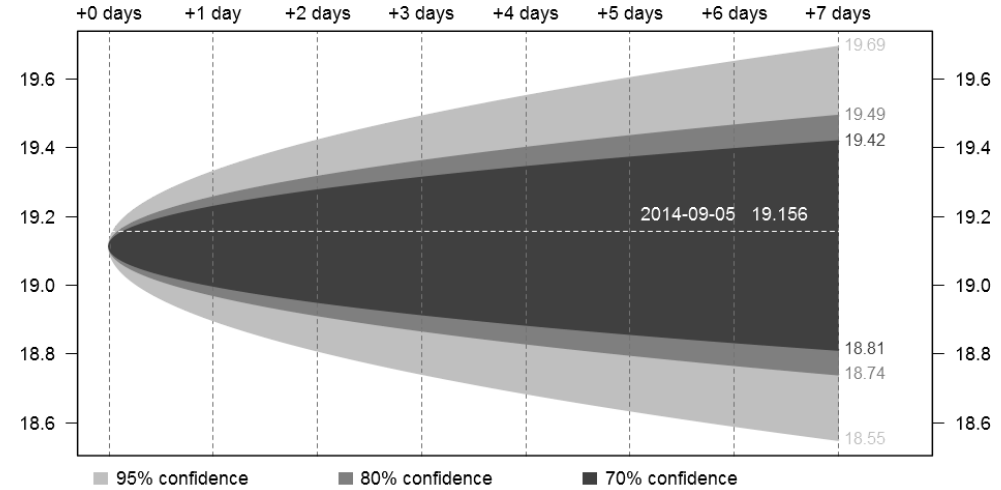


Precious Metals Confidence Intervals for the Next 7 Days

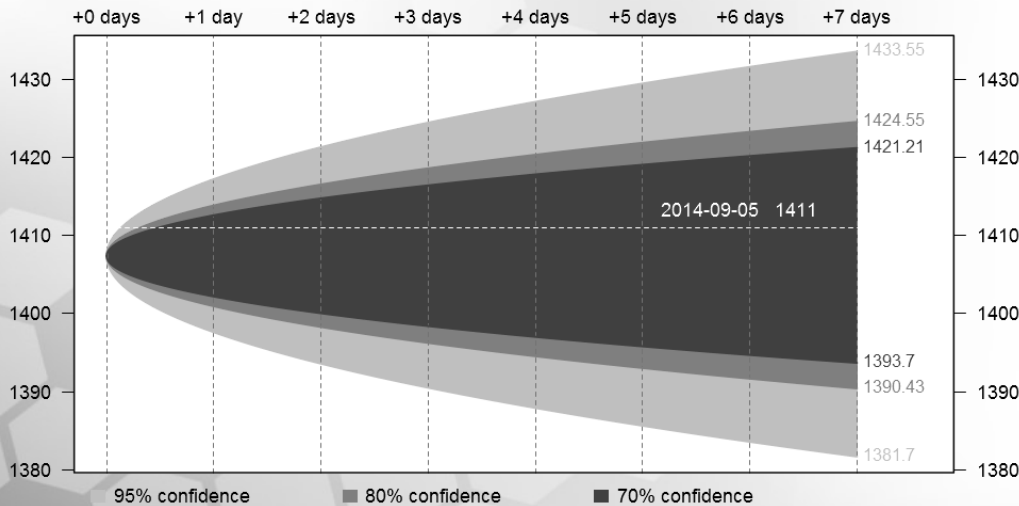
Gold Potential Rates



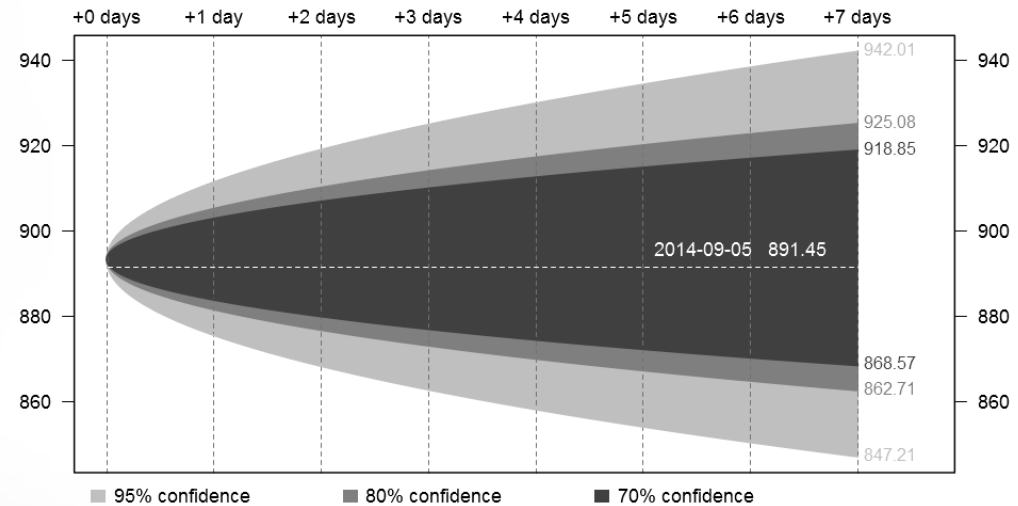
Silver Potential Rates



Platinum Potential Rates



Palladium Potential Rates

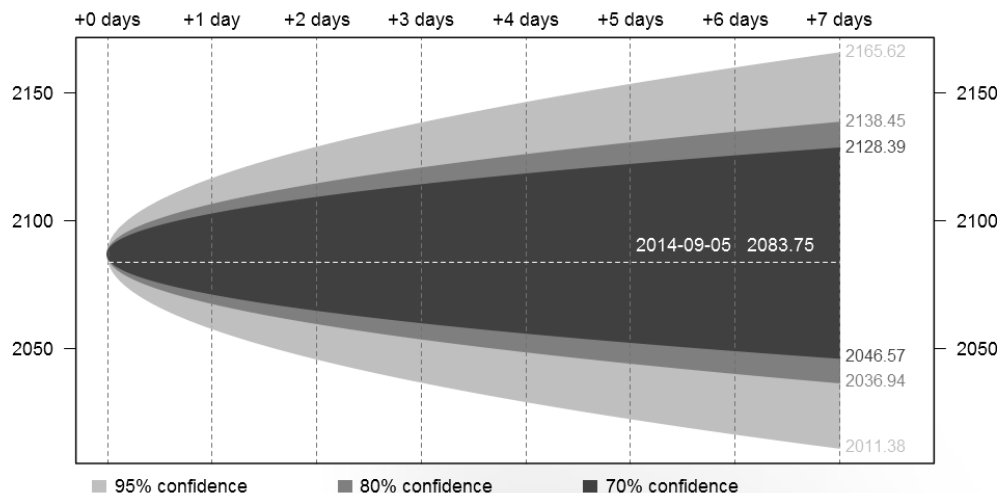


Industrial Metals Confidence Intervals for the Next 7 Days

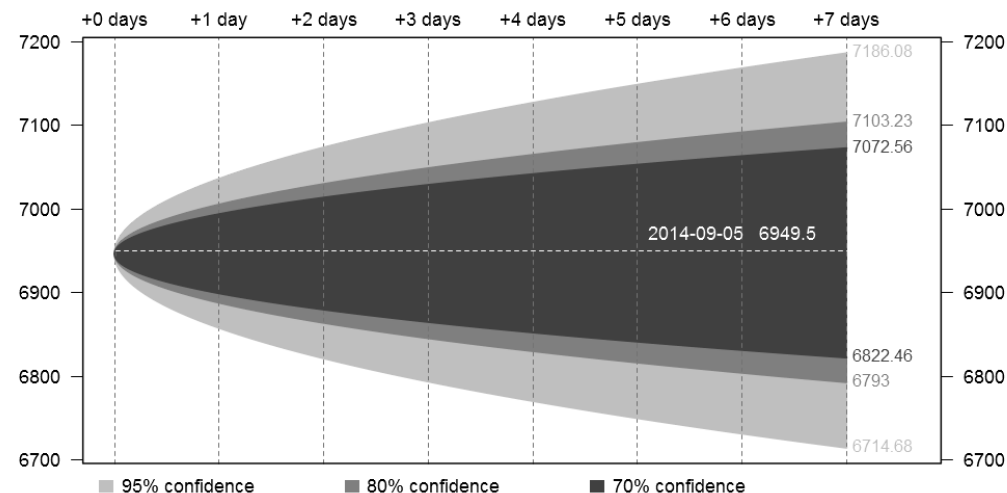
Monday, September 08, 2014

7:30 GMT

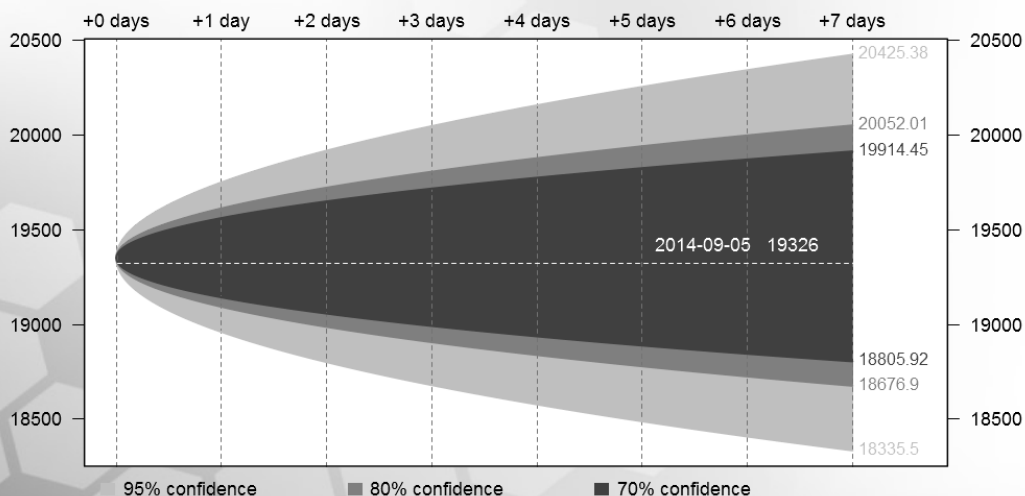
Aluminum Potential Rates



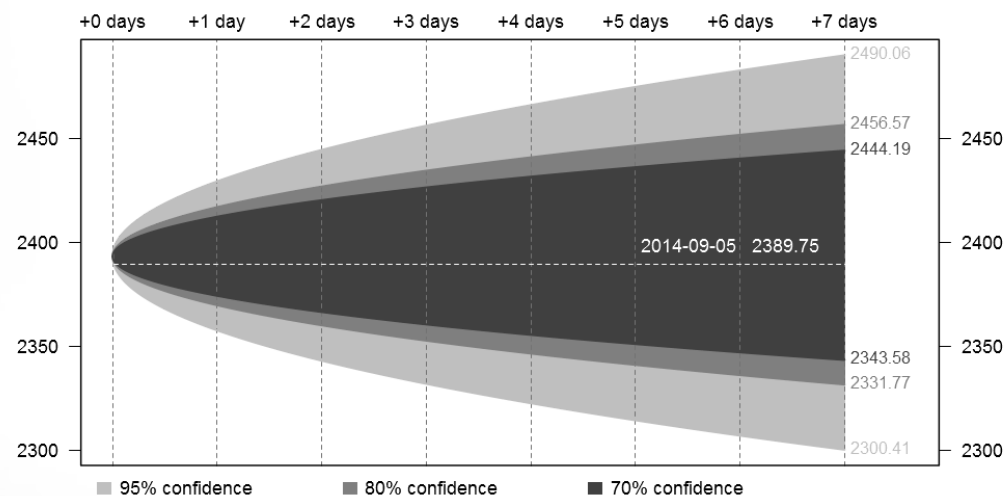
Copper Potential Rates



Nickel Potential Rates



Zinc Potential Rates

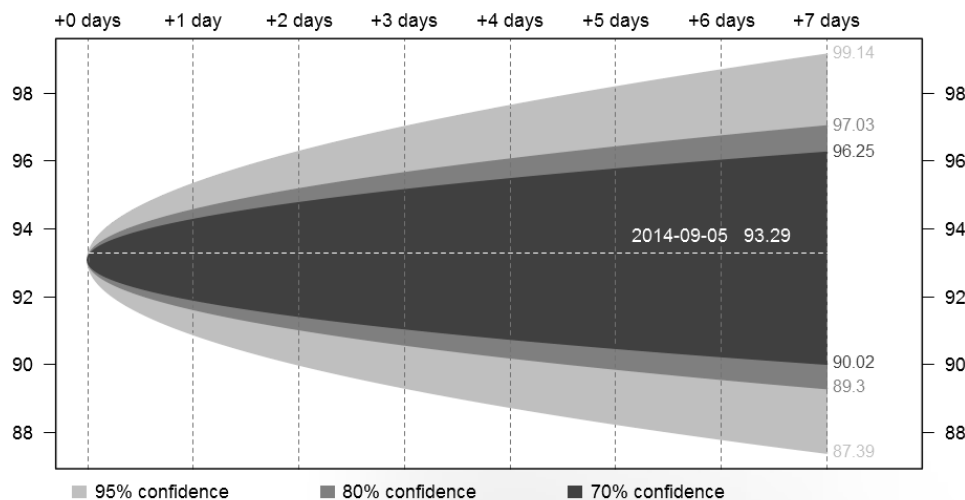


Energy Confidence Intervals for the Next 7 Days

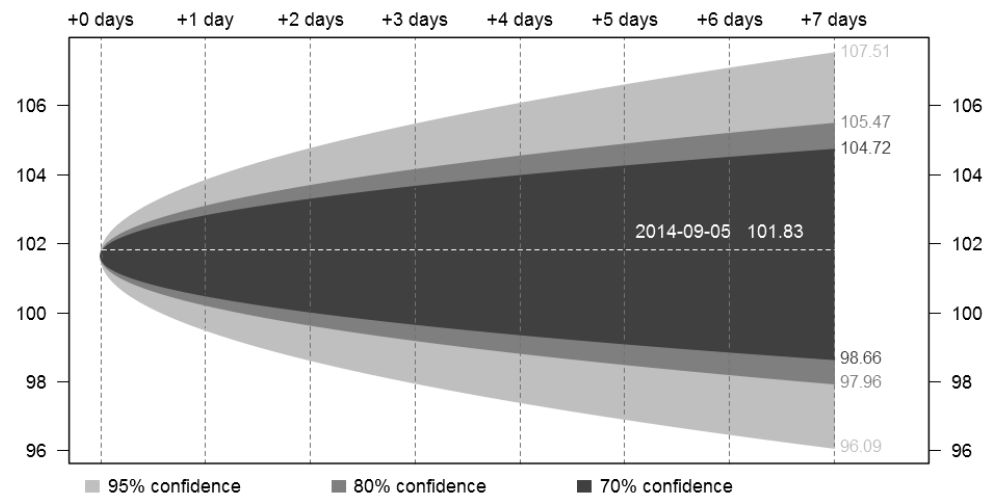
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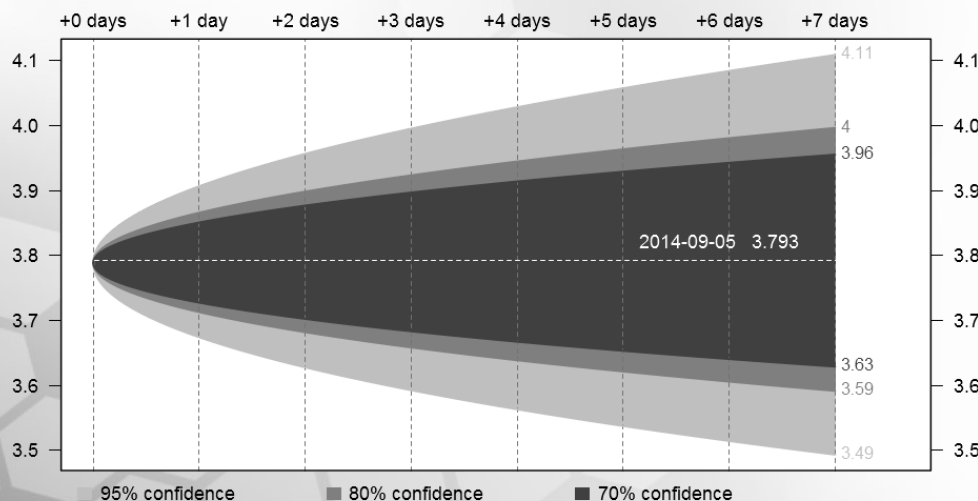
Crude.oil Potential Rates



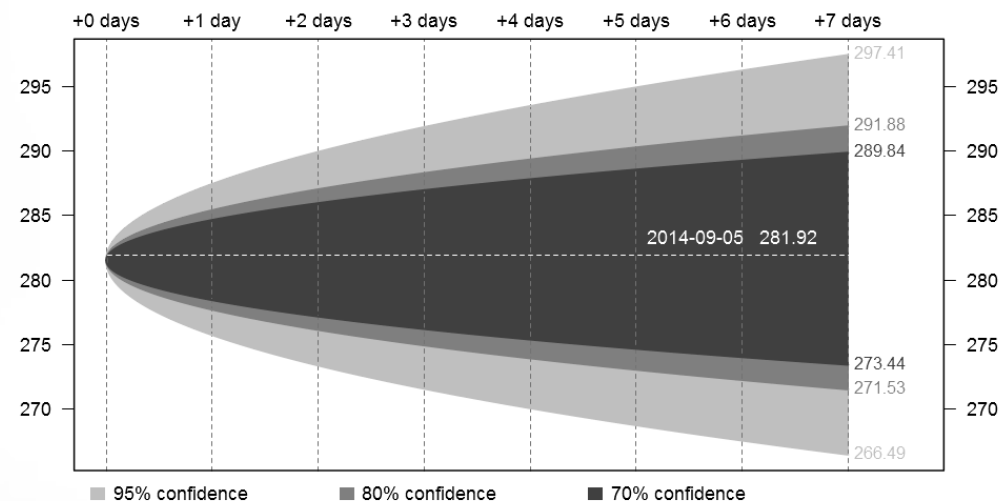
Brent.oil Potential Rates



Natural.gas Potential Rates



Heating.oil Potential Rates

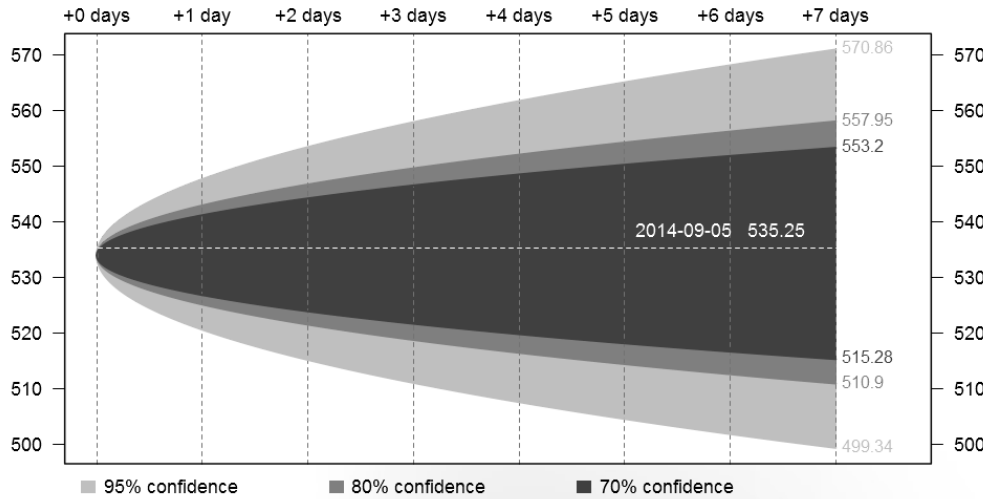


Agriculture Confidence Intervals for the Next 7 Days

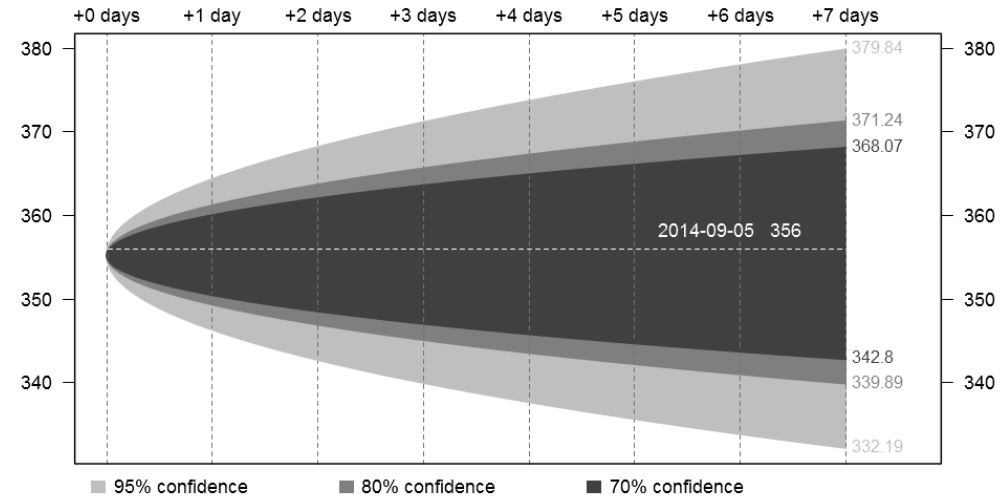
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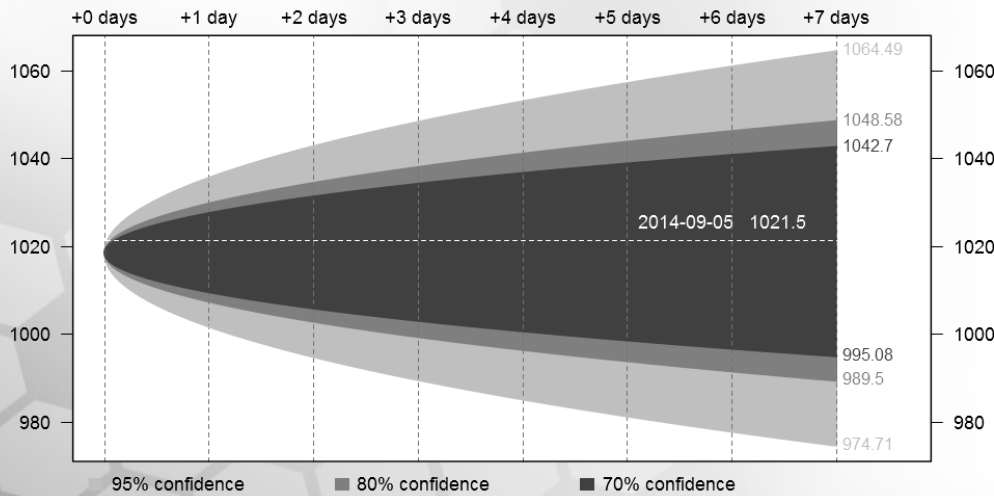
Wheat Potential Rates



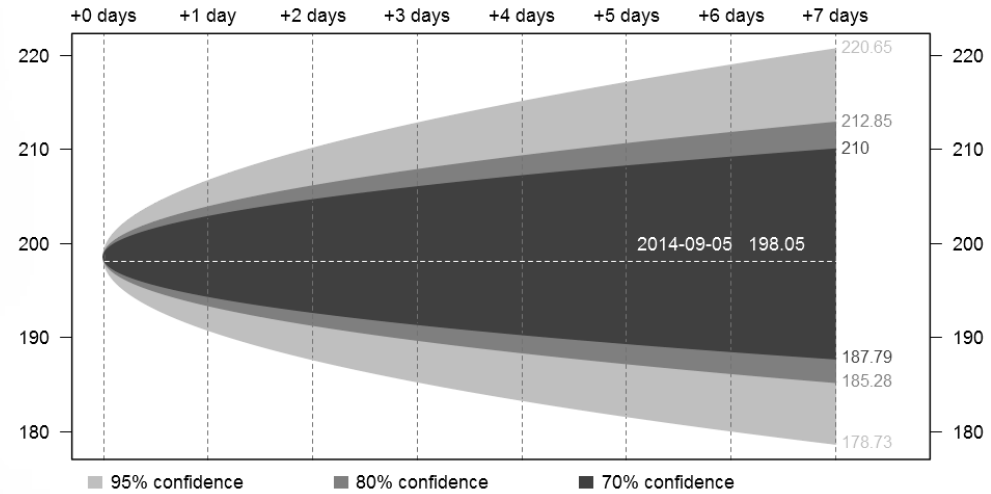
Corn Potential Rates



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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