



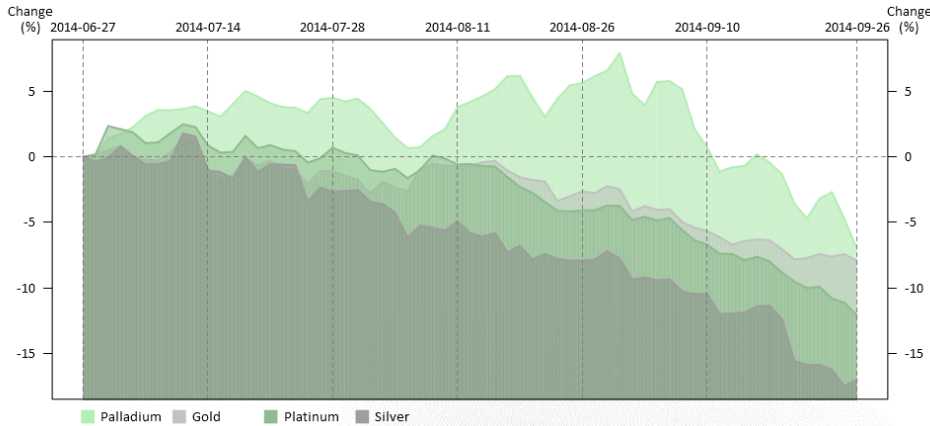
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29/09/2014



Weekly Commodity Overview

Precious Metals Extend Their Decline on Strong U.S. Dollar



Gold was little changed the past week, as it fell 0.1%. Through all week it traded around \$1220 an ounce level. However, it does not mean that there was not anything happening in the market. One of the things that held the yellow metal above the water was the U.S. equities. The Standard & Poor's 500 Index of shares headed for the biggest losses since July reigning demand for an alternative asset. However, according to Goldman Sachs Jeffrey Currie, risks are significantly skewed to the downside, since much of the support was coming from political uncertainty in Ukraine and what was going on in Middle East and those concerns have faded. At the end of the trading week bullion swung near the lowest level in almost nine months as the Greenback appreciated to a four-year high on forecasted higher borrowing costs as the U.S economy improves.

At the mean time, **silver** extended a slump to the lowest level in four years, as it decreased 1.72% in the week from 22nd to 26th of September. Silver was mostly impacted by the same factors as its yellow peer. By the week end it traded at \$17.54.

Platinum and **Palladium** both dropped, 2.85% and 3.54% respectively. Platinum plummeted to ta 15-month low as a jump in the U.S. Dollar lowered demand for precious metals as alternative investments, while Palladium declined to the cheapest level since April. According to STA Wealth, also the worries about demand from Europe are keeping prices subdued, the region accounts for 25% of global demand.

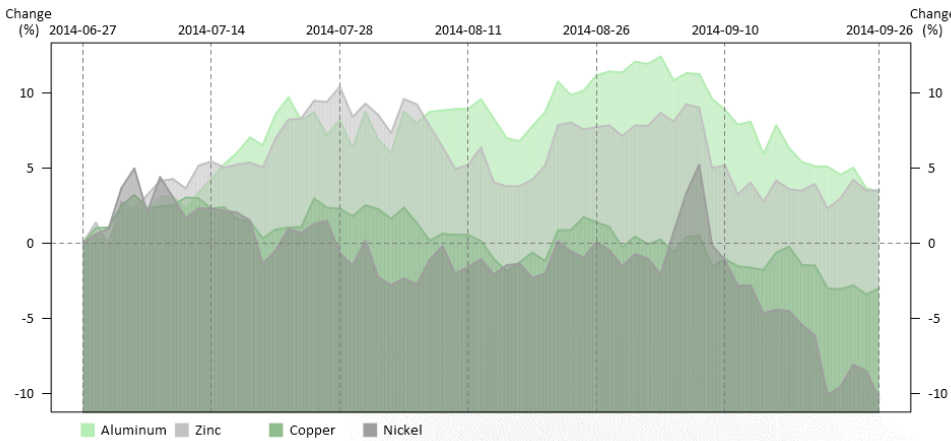
Price Changes (%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Gold	-0.1	-5.3	-7.92	-6.1	-9.04	-8.21
Silver	-1.72	-9.95	-17.02	-11.38	-19.87	-19.43
Platinum	-2.85	-8.37	-12.11	-7.54	-9.16	-8.03
Palladium	-3.54	-12.4	-7.01	1.31	8.01	8.34

Changes in Total Known ETF Holdings (%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Gold	-0.46	-2.2	-1.37	-4.38	-12.48	-12.74
Silver	0.6	1.18	2.11	1.45	-0.09	-0.14
Platinum	-0.08	-0.66	-3.5	6.48	20.66	20.42
Palladium	-0.16	-0.8	-1.9	38.36	31.58	31.32

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	1 297.19	1 025	1 743	1 287.85	970	1 450	1 251.85	915	1 488	1 234.36
Silver	17	35	20.88	17.9	34	21.11	18	27	20.5	18	28.42	20.6
Platinum	1 320	1 835	1 512.45	1 369	1 820	1 532.35	1 400	1 900	1 554.71	1 425	1 900	1 575.88
Palladium	630	880	817.01	675	900	838.11	705	925	856.39	720	950	862.32

S&P GSCI Precious Metals Index	%
Weekly	-0.29
Monthly	-5.85
3 Months	-9.18
6 Months	-6.9
12 Months	-7.31

Industrial Metals Fall as Uncertainty Surrounds China's Housing Market



Aluminum price decreased 1.63% as China's housing market is under pressure, which is the world's largest consumer of industrial metals. According to China Beige Book International, China's economy was stuck in "low gear" this quarter. On Thursday industrial metals declined as the discovery of almost \$10 billion in fraudulent trade in China raised speculation supplies may increase and imports slow. The metal closed at \$1920 a ton.

Copper fell 1.56% lower, after posting gains in the week before. For most of the time the metal has been trading around the lowest level in 14 weeks. Since the U.S. new-home sales jumped to a six-year high on Wednesday pushing copper above a 14-week low. Then in the continue of the week the metal dropped again since U.S. durable goods dropped by a record. U.S. is the world's second-biggest consumer of the metal. Nonetheless, at the close copper rebounded again on speculation that demand will increase after a report that showed that the U.S. economy has expanded at the fastest pace since 2011

Nickel and Zinc retreated 4.47% and 0.4% respectively, posting a third straight weekly losses. However, zinc has lost considerably less than nickel for a second consecutive week. Nickel approached the lowest level in five months on worries that demand will vanish in China. According to BMO Capital Markets Corp., the market read that, very clearly, China is not going to react or overreact if it misses the 7.5% growth-rate target. Goldman Sachs said that nickel is supported at \$17,000 a ton; however, the metal closed at \$16,924 a ton on Friday.

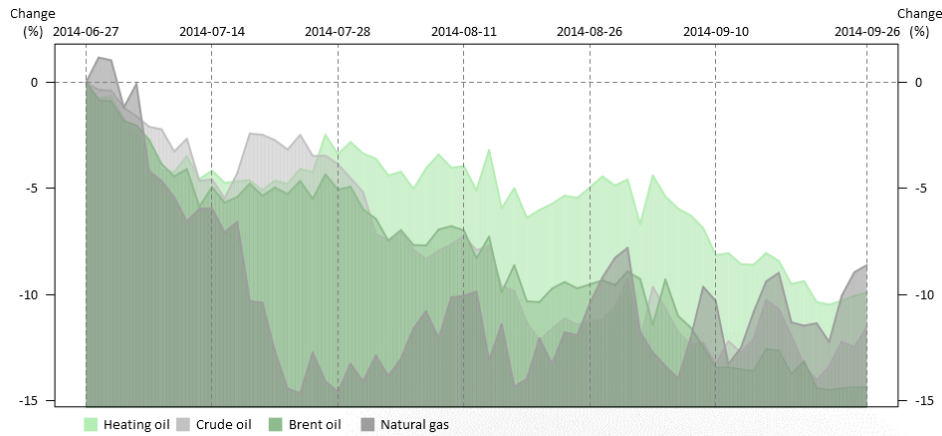
Price Changes (%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Aluminum	-1.63	-7.19	3.41	11.4	8.62	7.62
Copper	-1.56	-4.05	-3.02	1.04	-5.86	-6.57
Nickel	-4.47	-9.9	-10.33	7.94	22.91	22.93
Zinc	-0.4	-4	3.52	14.92	21.61	20.88

Changes in LME inventories(%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Aluminum	-0.8	-3.79	-8.3	-13.98	-13.77	-14.07
Copper	0.08	4.83	-0.42	-42.18	-71.03	-71.68
Nickel	2.63	6.59	13.79	21.9	53.29	53.78
Zinc	-0.15	2.63	12.41	-3.28	-26.56	-22.64

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	6 957.13	5 750	8 487	6 954.94	6 275	8 500	6 924.29	6 175	8 300	6 950.3
Zinc	1 800	2 403	2 161.15	1 800	2 447	2 202.54	1 979	2 500	2 245.76	1 979	2 535	2 310.71
Aluminum	1 720	2 271	1 912.14	1 756	2 215	1 953.07	1 772	2 116	1 966.14	1 780	2 150	1 985.09
Nickel	14 000	20 170	17 638.59	14 000	22 000	18 132.43	14 881	23 000	19 424.29	14 881	24 000	20 023.1

S&P GSCI Industry Metals Index	%
Weekly	-1.72
Monthly	-6.03
3 Months	-1.83
6 Months	4.58
12 Months	-0.23

Energy Futures Mixed on Lower Inventories and China



WTI oil posted second straight weekly gains, as it added 2.06%. At the beginning of the last week crude oil slipped lower on concerns about weak demand and ample global supplies. However, as the U.S. inventory report was released on Wednesday, which showed a drop to an eight-week low, the oil price started to increase. Moreover, the positive data that the U.S. economy expanded at the fastest pace in almost three years also favored crude oil. Iranian Oil Minister Bijan Namdar Zangeneh stated that the Organization of Petroleum Exporting Countries must make joint efforts to halt the recent slide in crude prices. Moreover, the U.S. government forecasters stated that U.S. crude production will jump to a 45-year high next year, lowering prices and reducing the need for imports.

However, **Brent Oil** declined 1.41% last week on concern that slower growth in China will reduce its demand. Moreover, China's finance minister damped speculation that the government will boost economic stimulus. According to Reiffeisen Bank International AG, China's oil demand growth is on track to be healthy in the second half at 3.5% to 4%. If growth shrinks to 2% or so, that would bring additional pressure for oil prices.

Natural gas and Heating oil, the first added 3.23%, while the second slid 0.59%. The main catalyst was the updated weather-forecasting models that continued to call for cooler temperatures across the U.S. in October. According to Natgasweather.com, if the markets are looking for a reason to go long and use colder weather patterns as folders, the this might be reason enough.

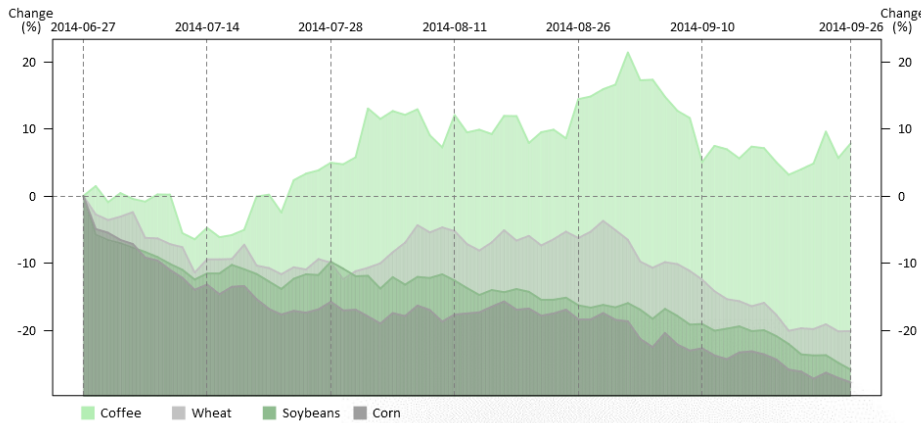
Price Changes (%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Crude oil	2.06	-0.36	-11.54	-8	-8.88	-9.21
Brent oil	-1.41	-5.57	-14.39	-10.24	-10.45	-11.18
Natural gas	3.23	0.65	-8.62	-10.17	13.62	12.95
Heating oil	-0.59	-5.73	-9.91	-8.39	-9.17	-10.09

Changes in U.S. inventories (%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Crude oil	-1.18	-1.25	-7.75	-6.4	-0.07	0.67
Gasoline	-0.2	-1.38	-2.16	-3.16	-2.73	-2.64
Natural Gas	3.36	16.95	63.37	233.48	-11.75	-9.43
Distillate Fuel	0.64	5.8	6.66	14.41	-1.73	-1.91

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	98.8	70	120	96.88	85	118	99.33	85	107	97.42
Natural gas	39	65.1	53.38	54	70.1	62.6	59	69	64	52	55	53.5
Heating oil	286	300	296.25	277	305	293	292	300	296.25	275	300	286.5
Brent oil	90	124	105.56	85	128	104.27	85	124	105.41	85	112	103.43

S&P GSCI Energy Index	%
Weekly	-0.83
Monthly	-10.9
3 Months	-22.17
6 Months	-28.74
12 Months	-23.37

Agriculture Futures Fall on Record Crop in the U.S.



Wheat was little changed in the week from 22nd to 26th September. On Wednesday wheat futures gained the most in approximately two weeks on bets that grain demand will rebound after prices touched the lowest level in more than four years. However, by the week end the prices fell slightly and therefore the grain product did not manage to post weekly gains. According to International Grains Council, global wheat production will be bigger than forecasted on improving outlook for supplies from the European Union and Ukraine. Wheat output is expected to increase to 717 million metric tons in the 2014-15 season, higher than the previous forecast of 713 million tons and 0.6% bigger than past years forecasts, IGC stated.

Corn prices continue to fall, in the last week it lost 2.56%. The futures dropped to the lowest level in five years as farmers started to harvest the all time biggest crop in the U.S., which is the world's top grower. Rains and cool Midwest weather boosted plants this year with 74% of the crop rated in good or excellent condition, the best in around 20 years, according to U.S. Department of Agriculture.

Soybeans plummeted 4.89% in the previous week, touching the lowest level since 2010, after China halted import approval on two genetically modified traits and U.S. farmers started harvesting. It is expected that U.S. soybean production will reach a record 3.913 billion bushels.

Coffee rebounded, adding 4.52% on worries that Uganda's coffee exports will decrease more than expected after the Black Twig Borer beetle damaged some part of the crops. Moreover, a drought last year and early this year is also responsible for crop damage and reduced shipments, according to NUCAFE.

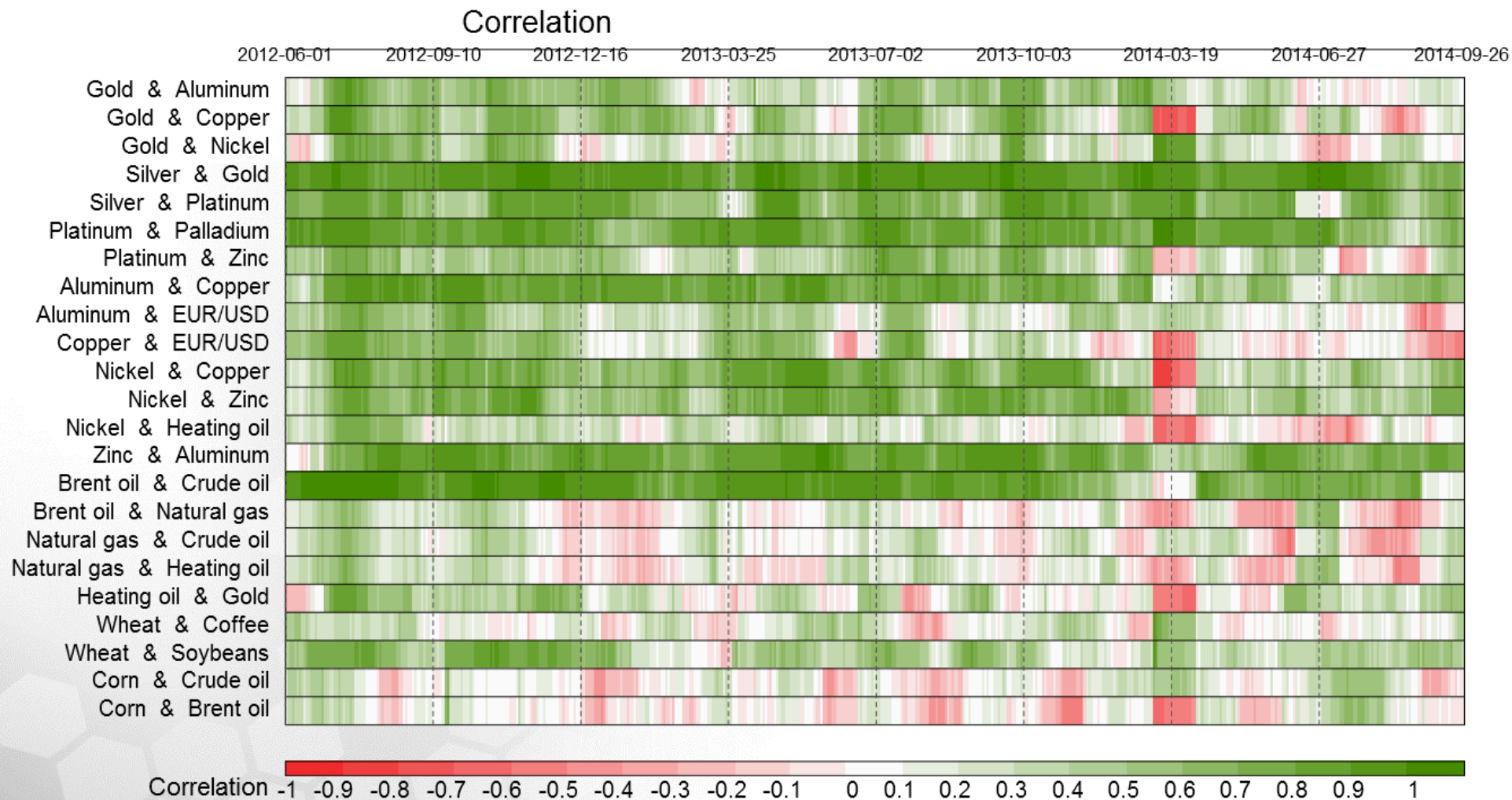
Price Changes (%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Wheat	-0.05	-15.65	-20.13	-31.81	-29.27	-30.08
Corn	-2.56	-11.51	-27.78	-34.35	-28.97	-29.28
Soybeans	-4.89	-11.09	-25.88	-36.63	-31.13	-30.87
Coffee	4.52	-6.11	7.82	3.02	58.68	60.87

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	421.78	350	550	420.1	350	500	417.25	350	500	424.38
Coffee	160	200	180.1	150	200	180.6	140	225	183	120	225	179.6
Wheat	525	630	562.78	500	615	557.3	500	600	559.22	500	640	575.44
Soybeans	1 100	1 400	1 246.78	1 000	1 360	1 124.5	1 000	1 375	1 112.12	1 000	1 400	1 139.38

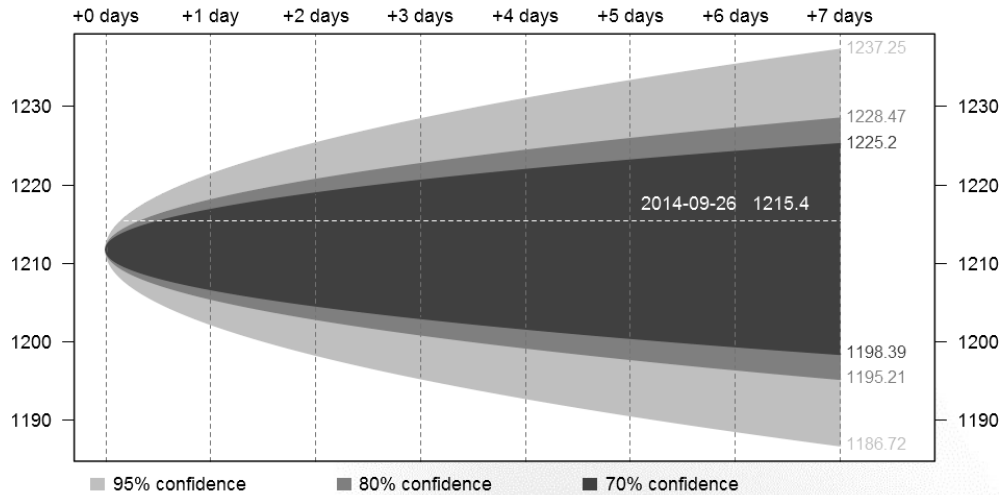
S&P GSCI Agriculture Index	%
Weekly	0.07
Monthly	-3.36
3 Months	-12.01
6 Months	-7.45
12 Months	-5.07

Correlation Matrix

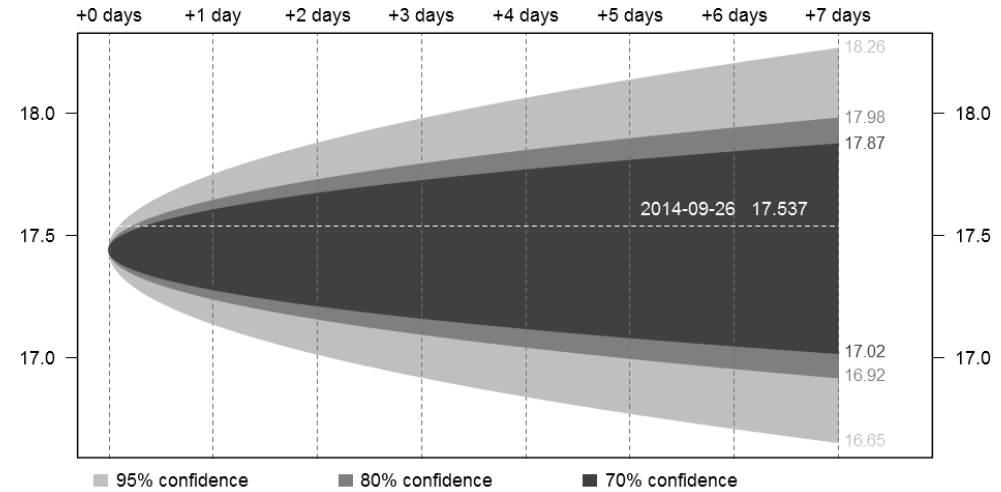


Precious Metals Confidence Intervals for the Next 7 Days

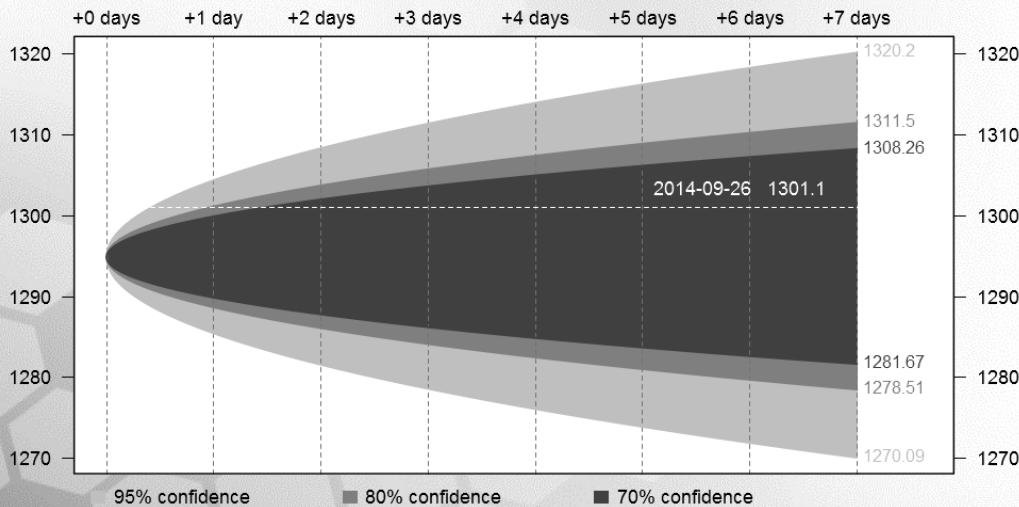
Gold Potential Rates



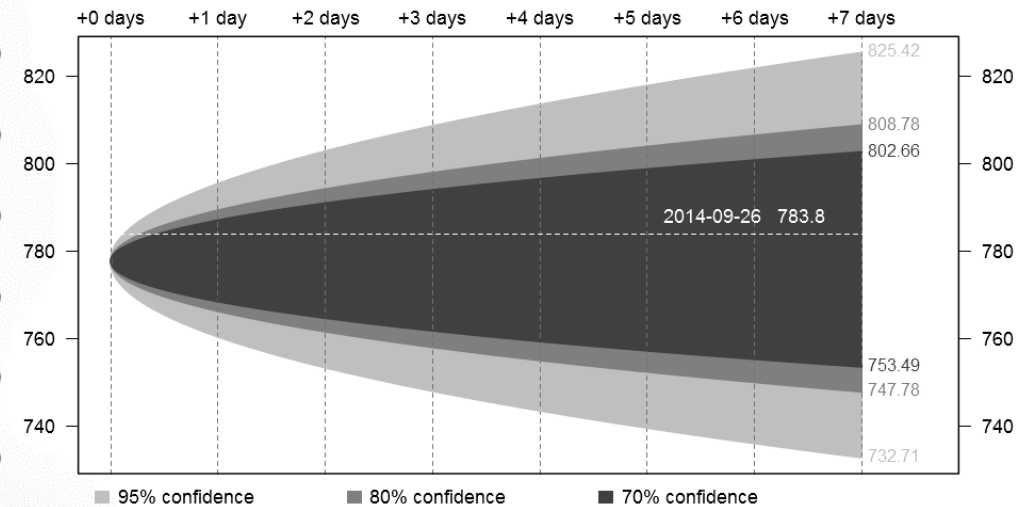
Silver Potential Rates



Platinum Potential Rates



Palladium Potential Rates

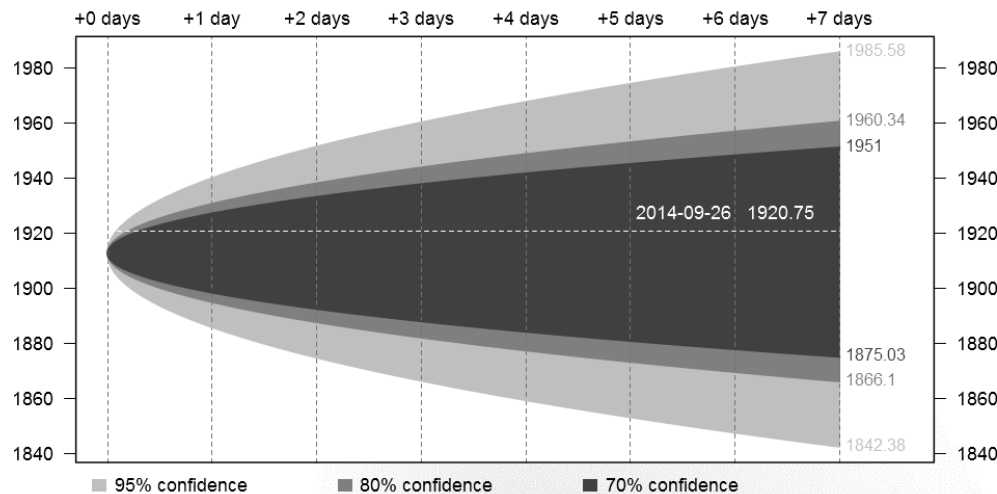


Industrial Metals Confidence Intervals for the Next 7 Days

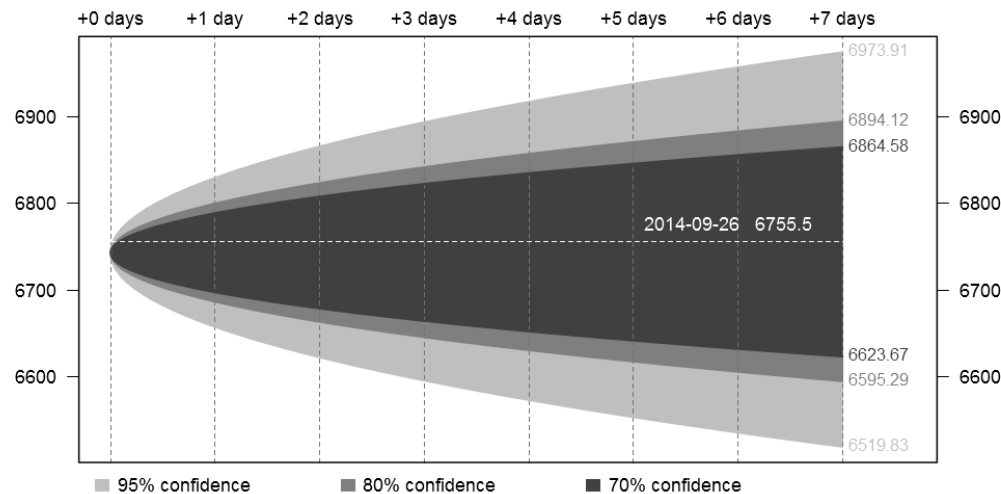
Monday, September 29, 2014

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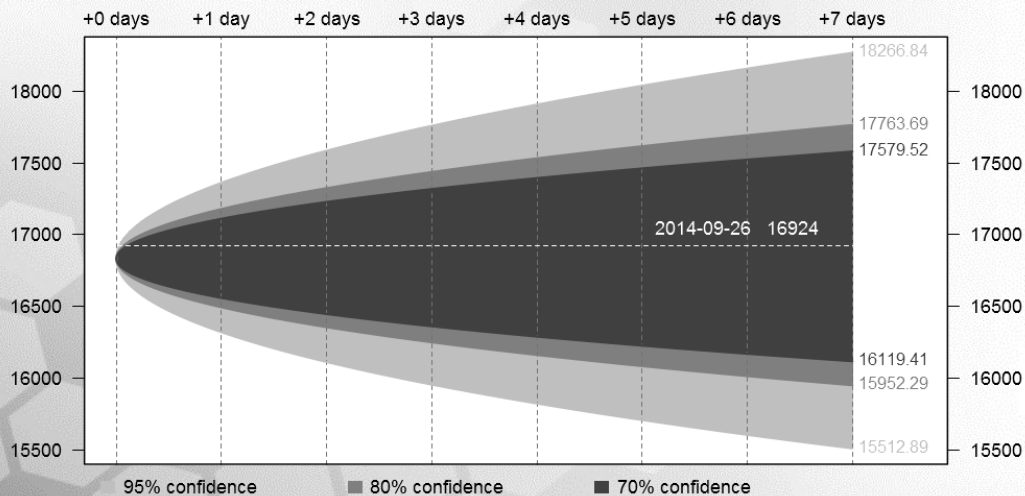
Aluminum Potential Rates



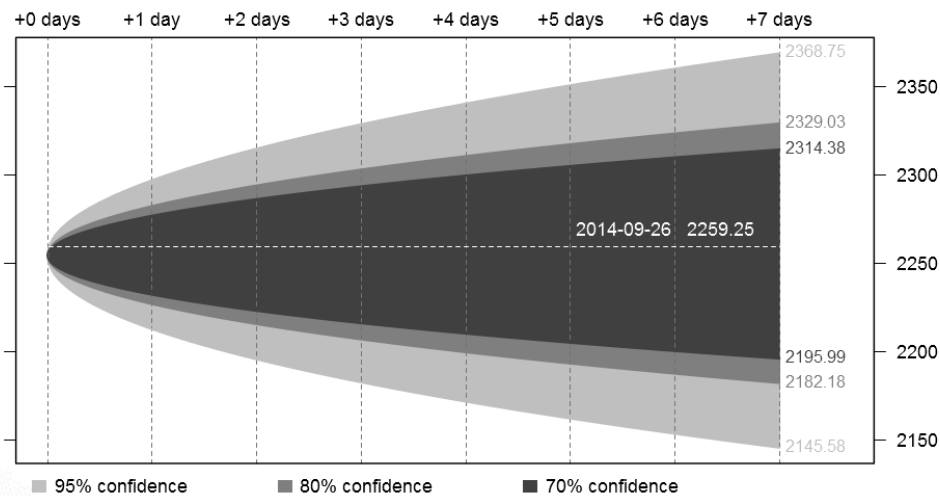
Copper Potential Rates



Nickel Potential Rates

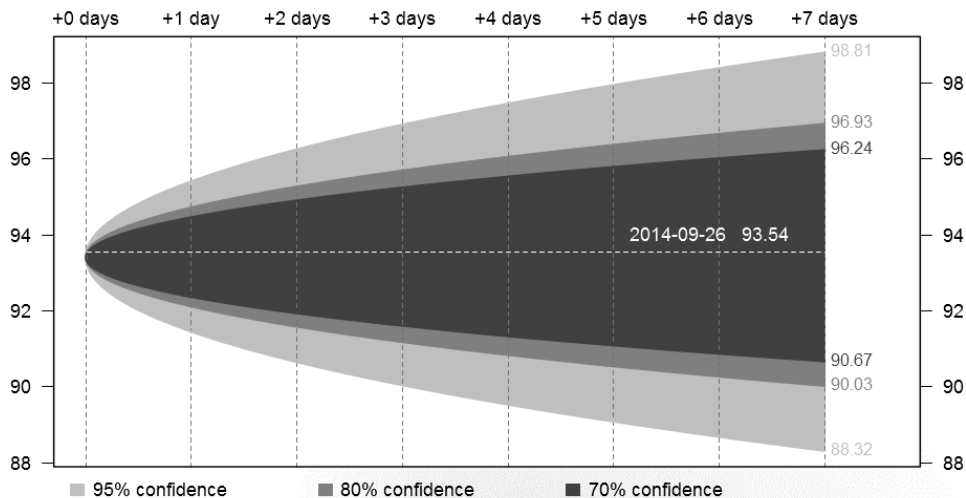


Zinc Potential Rates

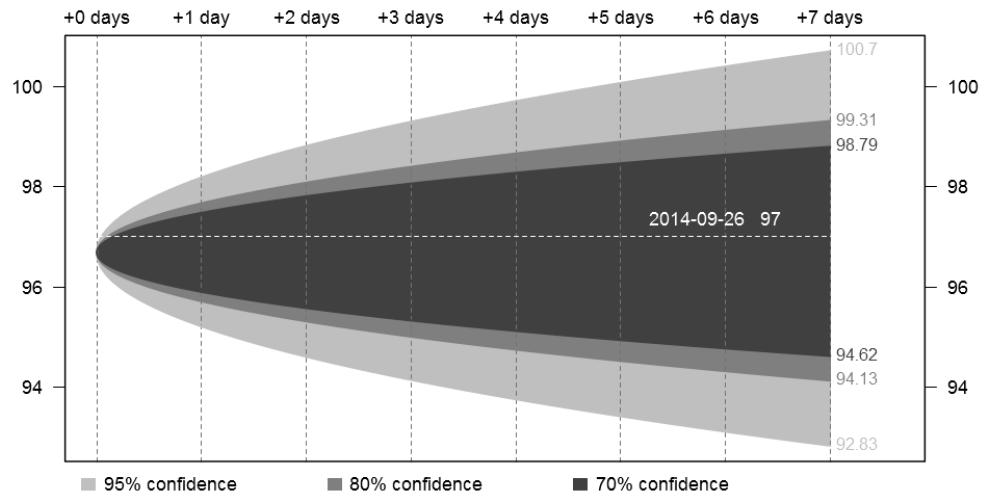


Energy Confidence Intervals for the Next 7 Days

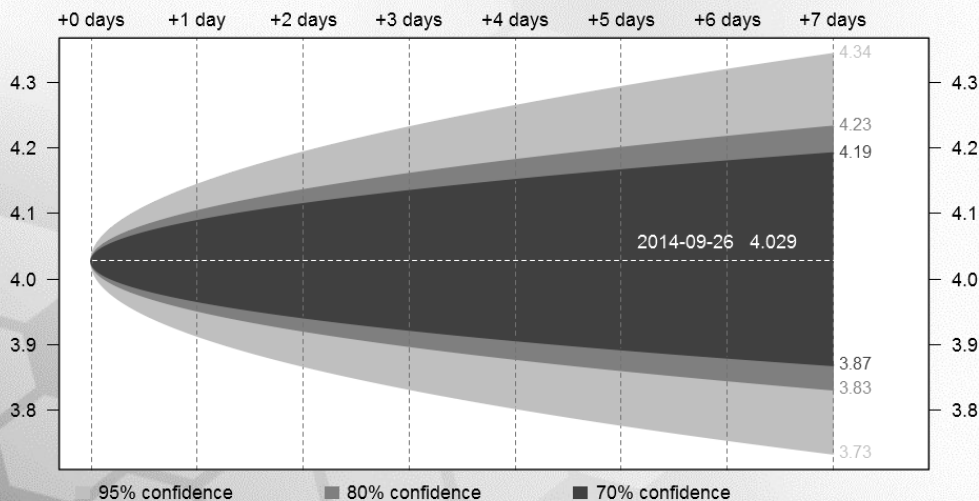
Crude.oil Potential Rates



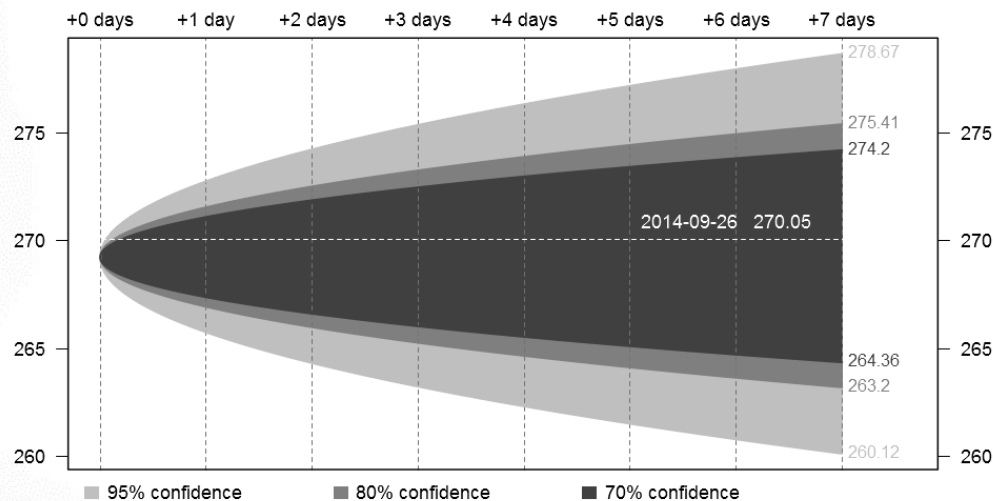
Brent.oil Potential Rates



Natural.gas Potential Rates



Heating.oil Potential Rates

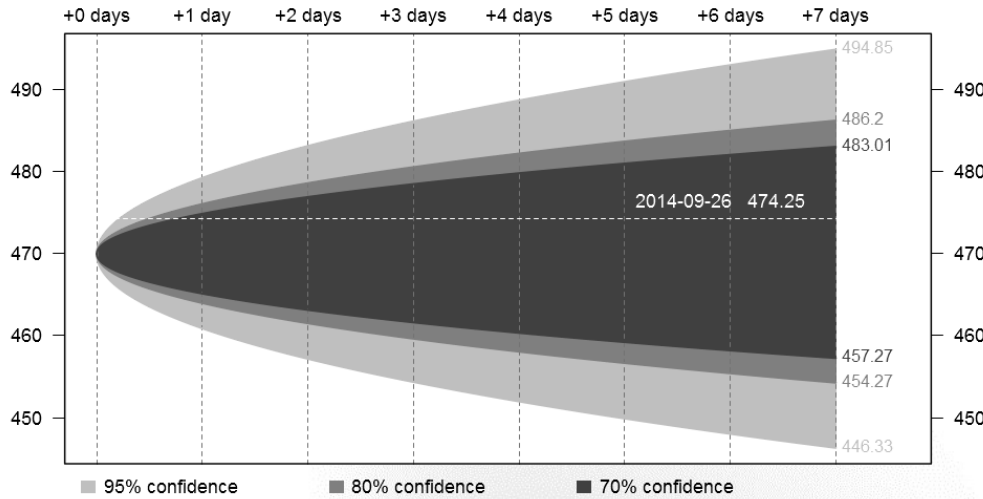


Agriculture Confidence Intervals for the Next 7 Days

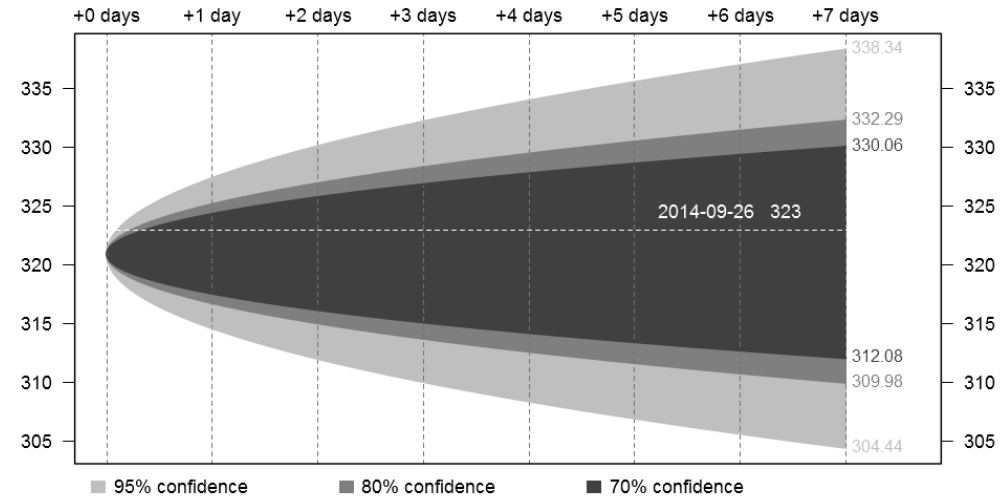
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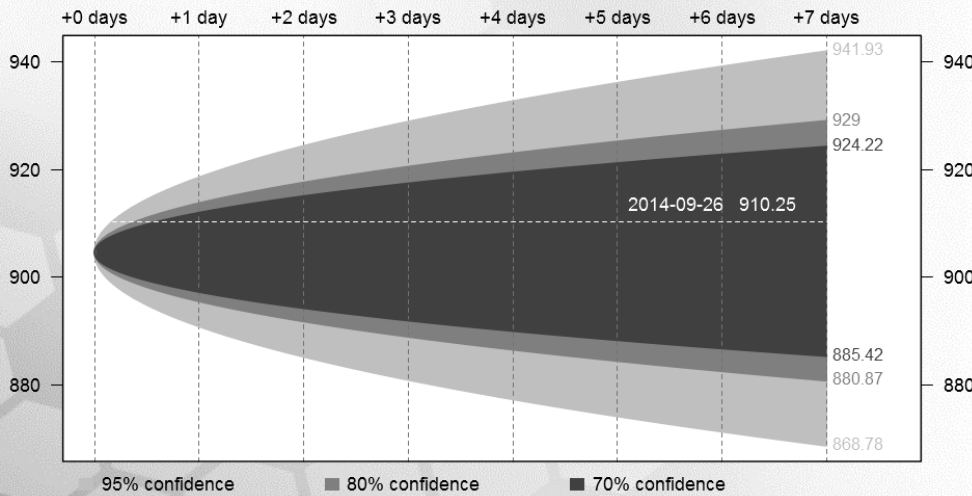
Wheat Potential Rates



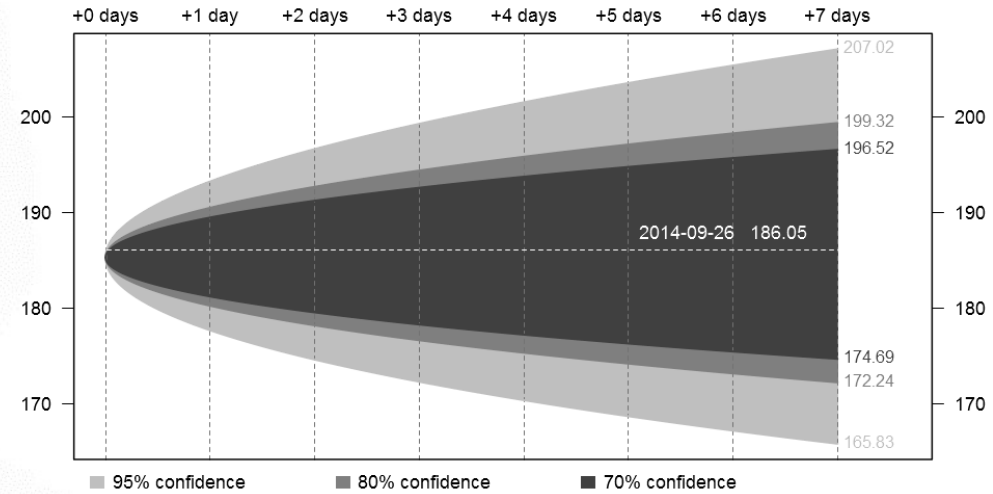
Corn Potential Rates



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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