



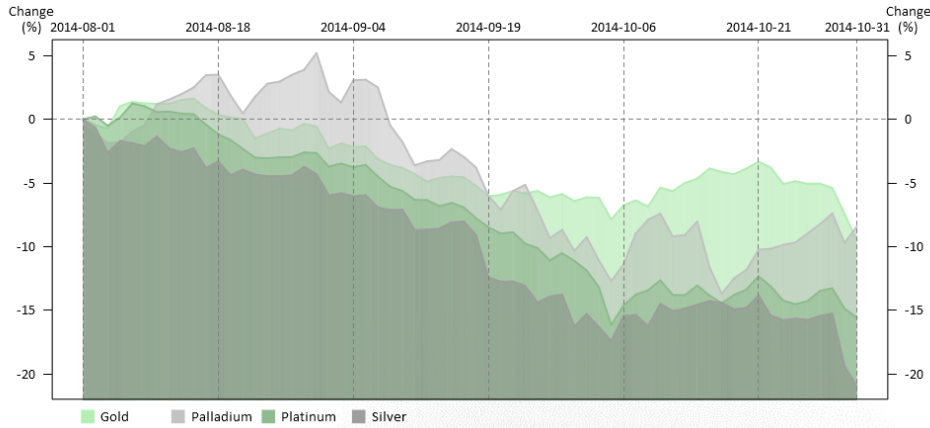
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03/11/2014



Weekly Commodity Overview

Precious Metals Retreat With Silver Leading Parade



Gold dropped another 4.89% in the period from 27th to 31st of October. In the first three days of the week there were relatively small amount of news that impacted the yellow metal. Wednesday came with news that Russia has bought the most of gold since financial crisis of 1998; however, it was not enough to push the metal's price higher as it remained at Monday's levels. The biggest driver for the price drop was the Fed announcement of the end of its bond-buying programme, cutting demand for the metal as a hedge against inflation. Also, Societe Generale SA stated that the chances are increasing that bullion will decline to \$1,000 an ounce as the cost of oil tumbles. Then on Friday market was shocked by the Bank of Japan statement to boost nation's stimulus. Moreover, gold's slump of 4.9% last week was the biggest one since September 2013.

Silver tumbled 6.26% in the last week, as the metal lost even more of its value compared to the yellow peer on the Fed's QE exit and BoJ unexpected stimulus boost. Silver reached the lowest level in 55 months by closing well below the week's opening level at \$16.11 a pound.

Platinum's losses were subdued compared to gold and silver as the metal slid 1.26% in the period, while **Palladium** was the only precious metal to post the weekly gains. Interesting story regarding platinum is the construction of the biggest platinum's mine since 1993. However, the construction is being delayed because of an impasse between billionaire Robert Friedland's Ivanhoe Mines Ltd. And South Africa's mines ministry over the extent to which local communities will benefit from this project.

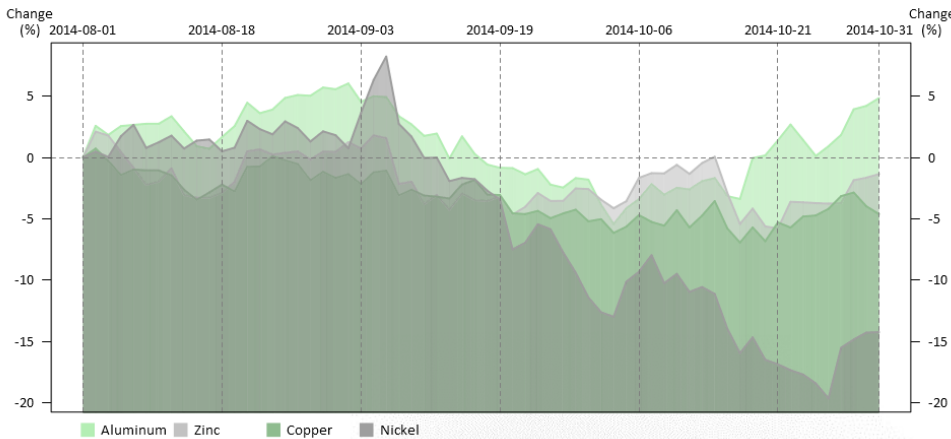
Price Changes (%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Gold	-4.89	-3.61	-9.51	-10.08	-13.17	-11.49
Silver	-6.26	-6.68	-20.94	-17.6	-29.92	-26.35
Platinum	-1.26	-4.22	-15.59	-14.26	-16.53	-14.72
Palladium	1.4	0.92	-8.41	-2.54	5.64	7.46

Changes in Total Known ETF Holdings (%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Gold	-0.61	-2.12	-4.95	-4.52	-12.09	-12.4
Silver	-0.06	-1.12	1.34	0.16	-0.74	-0.77
Platinum	-0.46	-1.68	-6.03	0.4	13.21	12.86
Palladium	0.02	2.02	-3.51	14.29	38.48	37.27

Precious Metals Long-Term Price Forecasts (USD per ounce)												
	Q4 14			Q1 15			Q2 15			Q3 15		
	Min	Max	Avg	Min	Max	Avg	Min	Max	Avg	Min	Max	Avg
Gold	1 125	1 743	1 270.75	1 050	1 450	1 235.08	950	1 488	1 223.42	875	1 598	1 212.3
Silver	16.8	34	20.49	16.5	27	19.63	17	28.42	19.84	17	35.46	20.24
Platinum	1 220	1 820	1 461.32	1 175	1 900	1 492.65	1 225	1 900	1 521.82	1 275	1 900	1 545.94
Palladium	726.25	900	827.76	700	925	851.07	715	950	860.14	725	950	856.89

S&P GSCI Precious Metals Index	%
Weekly	-5.04
Monthly	-3.96
3 Months	-10.95
6 Months	-11.11
12 Months	-12.69

Industrial Metals Gain on Changes in Forecasts



Price Changes (%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Aluminum	4.72	9.05	4.85	17.95	11.16	13.25
Copper	0.12	0.44	-4.61	-0.02	-7.36	-6.79
Nickel	5.13	-1.86	-14.24	-13.84	7.01	8.01
Zinc	2.46	2.17	-1.35	13.07	18.85	19.9

Changes in LME inventories(%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Aluminum	-0.6	-3.86	-10.61	-17.06	-17.38	-17.49
Copper	1.91	6.78	11.22	-29.24	-65.4	-65.85
Nickel	1.4	6.99	20.72	37.17	59.8	61.4
Zinc	-1.65	-6.63	6.97	-8.7	-31.49	-31.95

Industrial Metals Long-Term Price Forecasts (USD)												
	Q4 14			Q1 15			Q2 15			Q3 15		
	Min	Max	Avg	Min	Max	Avg	Min	Max	Avg	Min	Max	Avg
Copper	6 250	8 487	6 901.37	6 000	7 500	6 780.75	6 000	7 680	6 806.5	5 500	7 800	6 795.23
Zinc	1 965	2 447	2 227.78	1 979	2 425	2 244.19	1 979	2 535	2 310.81	1 980	2 610	2 352.95
Aluminum	1 756	2 215	1 957.25	1 772	2 090	1 957.14	1 780	2 100	1 983.82	1 789	2 150	2 021.05
Nickel	14 329	22 000	17 695.26	14 881	23 000	18 643.38	14 881	24 000	19 315.76	14 931	24 250	20 057.85

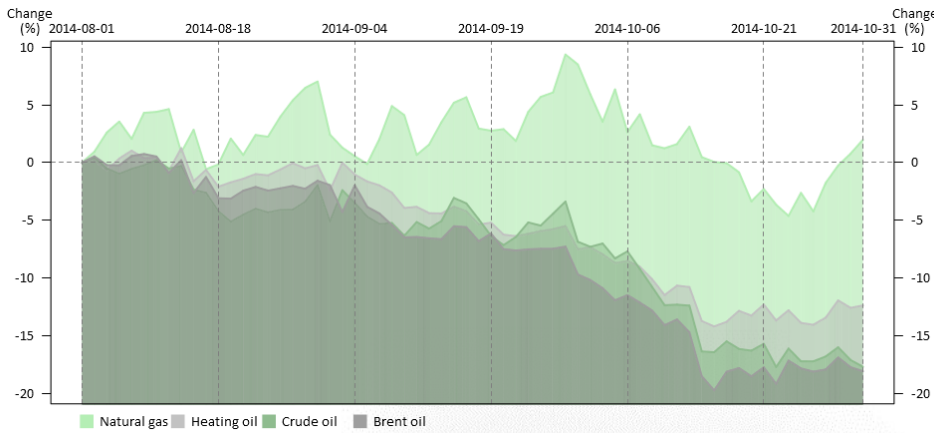
Aluminum seems to have regained its bullish momentum that it had lost for a moment. The metal generated 4.72% of gains in the period from Monday to Friday as there is potential for so-called bauxite gap of 10 to 15 million metric tons in Indonesia, according to Alumina Ltd. Bauxite is refined into alumina (an intermediate product that's further refined into aluminum). Indonesia banned ore exports in January to fuel investment in processing. Moreover, Aluminum Corp. of China Ltd. posted the smallest quarterly loss in 2014 as the nation's biggest producer (Chalco) of the metal benefited from increasing metal's value. Chalco losses reached 1.29 billion yuan (\$211 million).

Copper price was little changed in the week as it added 0.12%. Nonetheless, there were much more happenings than the closing price suggests. The key driver for the metal's advance in the first part of the week was Indonesia, the world's third largest supplier, mine strike that raised supply concerns. However, on Friday copper futures retreated as workers called of a strike at Freeport-McMoRan Inc.'s site. Also the strength of the Dollar dragged copper prices lower.

Nickel and Zinc gained 5.13% and 2.46%, respectively. On Tuesday nickel soared the most in five months on speculation that output of cheaper alternative will ebb in China. According to Goldman Sachs Group Inc., Chinese producers of nickel pig iron will probably reduce output at current prices. In the last day of the week nickel was pushed even higher, after the Bank of Japan unexpectedly boosted monetary stimulus.

S&P GSCI Industry Metals Index	%
Weekly	2.17
Monthly	2.38
3 Months	-3.2
6 Months	3.55
12 Months	1.03

Energy Futures Slide on End of QE



WTI oil started the week relatively well, after dropping to the lowest level in more than two years at \$79.58 on Monday. Moreover, Goldman Sachs Group Inc. lowered its oil price forecasts and stated that accelerating output from producers outside North America including Brazil and Azerbaijan will result in an oversupply in 2015. On Wednesday the oil prices reached the highest mark of the period at \$82.20 a barrel, after Energy Information Administration report indicated on slowdown in US inventories growth. Stockpiles increased 2.06 million barrels, following 21 million growth in the last three weeks. The end of the week was determined by the Federal Reserve ending the QE and the Bank of Japan boosting the monetary stimulus, that both impacted the commodity to the downside.

Brent Oil similarly to WTI oil was little changed as it slipped 0.31%. Brent's price performance also correlated very strongly with WTI oil, with gains at the beginning of the week and a reversal of the advances in the second part. According to Again Capital LLC, OPEC is trying to talk the market up a little bit, a draw in refinery product stocks is going to be bullish as there is some short-covering going on. Brent ended the week at \$85.86 a barrel.

Natural gas and **Heating oil** climbed 4.73% and 1.75%, respectively. Natural gas ended its down-trend that started at the beginning of October, after forecasts for falling US temperatures offset a bearish supply report. The colder weather will boost demand for heating and prompt thermal power producers to burn more of the commodity.

Price Changes (%)

	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Crude oil	-0.58	-11.23	-17.72	-19.27	-16.77	-16.43
Brent oil	-0.31	-8.81	-18.1	-20.93	-21.85	-21.11
Natural gas	4.73	-3.73	1.97	-17.14	6.99	8.15
Heating oil	1.75	-5.45	-12.39	-14.08	-15.65	-15

Changes in U.S. inventories (%)

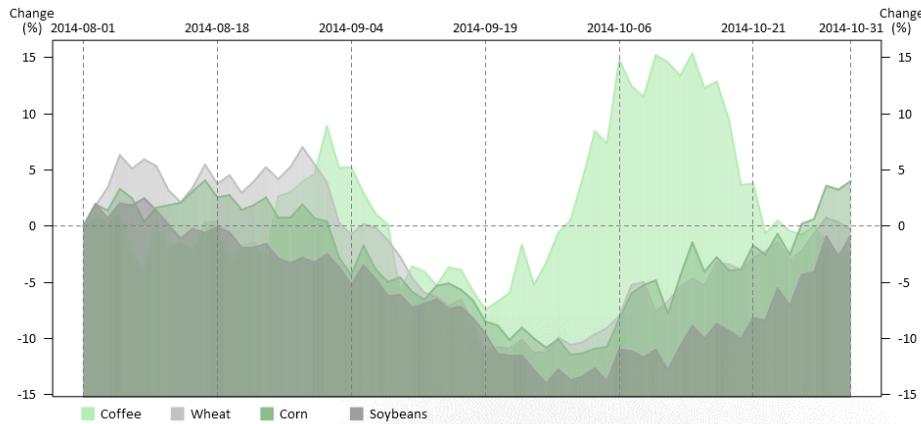
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Crude oil	0.55	6.07	3.37	-4.91	-1.07	-0.01
Gasoline	-0.6	-3.42	-6.92	-3.99	-4.98	-5.74
Natural Gas	2.56	16.47	50.85	254.74	-7.91	-6.98
Distillate Fuel	-4.21	-6.39	-5.01	5.18	-1.91	-4.29

Energy Futures Long-Term Price Forecasts (USD)

	Q4 14			Q1 15			Q2 15			Q3 15		
	Min	Max	Avg	Min	Max	Avg	Min	Max	Avg	Min	Max	Avg
Crude oil	70	120	91.83	80	118	92.22	80	107	91.37	80	105	93.13
Natural gas	54	70.1	60.8	57.46	69	61.82	51.98	55	52.99	49.25	55	51.75
Heating oil	250	290	268	250	293	271.25	250	276	262.75	250	282	268.25
Brent oil	85	128	99.14	85	124	98.93	85	112	97.48	80	112	98.59

S&P GSCI Energy Index	%
Weekly	3.03
Monthly	8.74
3 Months	-3.04
6 Months	-23.43
12 Months	-13.48

Agriculture Futures Soar, Except Coffee, on Adverse Weather Concerns



Wheat prices continued to rise by adding 2.85% in the period on concern that harvest in Australia and Russia may decline because of adverse weather. According to UBS AG, Russia is clearly signaling its winter-wheat crop is not prime condition and weather conditions in Australia may curb the crop there. Nevertheless, in the second part of the week the International Grains Council stated that it boosted its forecasts for world wheat production by 1 million metric tons to 717.6 million, these news dragged the price lower.

Corn and **Soybeans** futures jumped 6.73% and 6.71%, respectively, as a slowdown in the pace of the US crop continued to buoy prices. Moreover, corn traded near the highest level in two and a half months through the week. According to Jefferies LLC, the drop in export business is an indication that consumers are not going to chase supplies at higher prices. On 30th of October the US Department of Agriculture stated in report that exporters in the week ended 23rd of October sold 489,820 metric tons for delivery by the end of August, which is less than half the total a week before. However, the continuous drought in Brazil will reduce planting of soybeans, the country may produce 89 million metric tons of soybeans in 2014-15, according to Oil World report.

Coffee prices extended its three-week long decline; however, in the past week the losses (1.83%) were relatively subdued. Hedge funds pared back their biggest bullish coffee bet since 2008, after rains favored the drought-stricken crops in Brazil, the world's biggest producer and exporter. According to Wells Fargo, prices were reflecting a continuation of the drought.

Price Changes (%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Wheat	2.85	11.17	-0.33	-25.63	-21.11	-20.22
Corn	6.73	17.28	4	-24.57	-12.43	-12.03
Soybeans	6.71	14.45	-0.87	-28.66	-17.8	-17.14
Coffee	-1.83	-6.19	-2.26	-7.48	75.95	78.37

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)												
	Q4 14			Q1 15			Q2 15			Q3 15		
	Min	Max	Avg	Min	Max	Avg	Min	Max	Avg	Min	Max	Avg
Corn	325	550	392.8	347	500	381.88	330	500	385.62	350	500	399
Coffee	150	190	174.8	140	225	179	120	225	175.6	110	225	174
Wheat	488	615	530.7	500	600	530.89	500	600	539.11	527	605	567.22
Soybeans	930	1 275	1 056	900	1 300	1 030.88	925	1 400	1 066.5	925	1 400	1 067.38

S&P GSCI Agriculture Index	%
Weekly	0.19
Monthly	-9.37
3 Months	-16.31
6 Months	-18.07
12 Months	-12.2

Correlation Matrix

Correlation

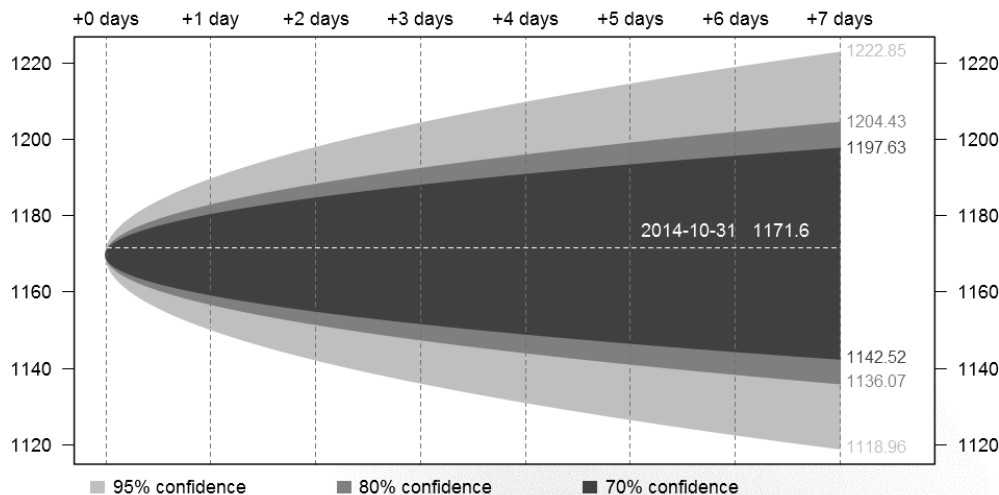
2012-06-01 2012-09-13 2012-12-27 2013-04-10 2013-07-19 2013-10-24 2014-04-15 2014-07-29 2014-10-31



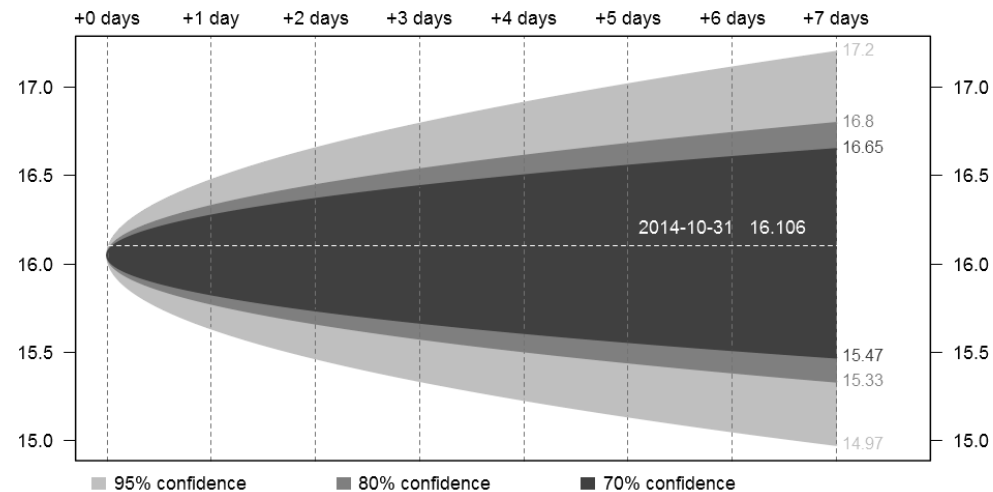
Correlation -1 -0.9 -0.8 -0.7 -0.6 -0.5 -0.4 -0.3 -0.2 -0.1 0 0.1 0.2 0.3 0.4 0.5 0.6 0.7 0.8 0.9 1

Precious Metals Confidence Intervals for the Next 7 Days

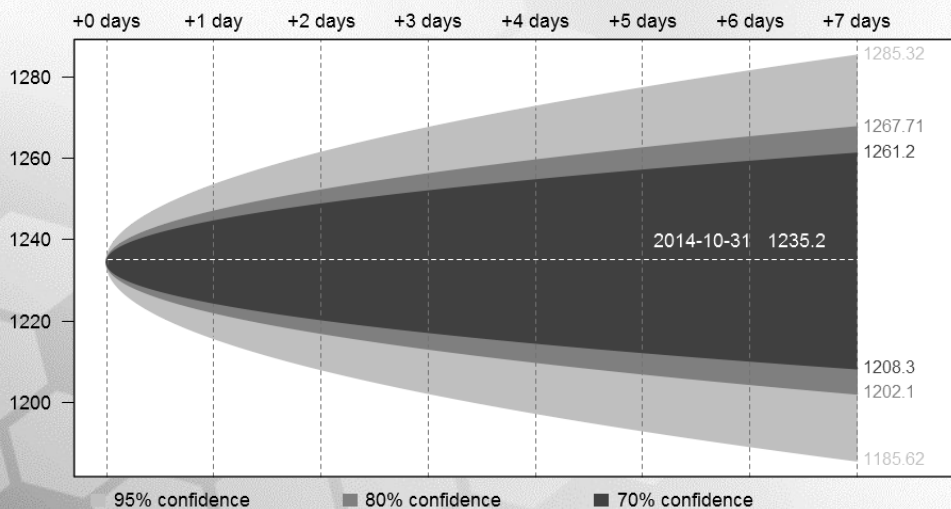
Gold Potential Rates



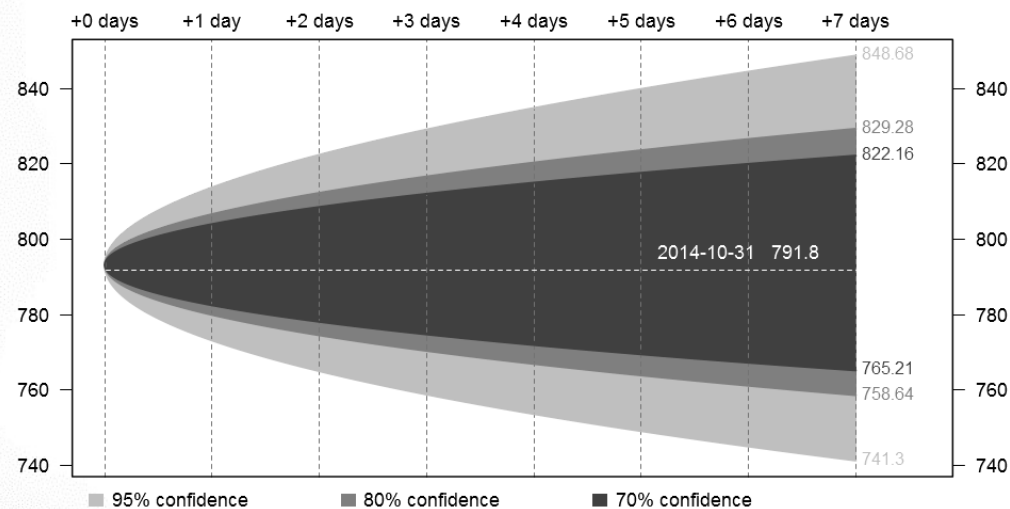
Silver Potential Rates



Platinum Potential Rates



Palladium Potential Rates

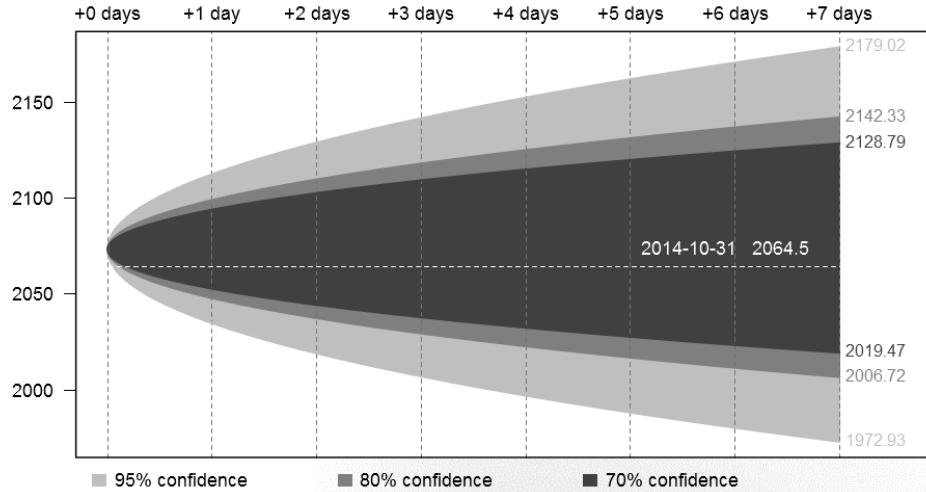


Industrial Metals Confidence Intervals for the Next 7 Days

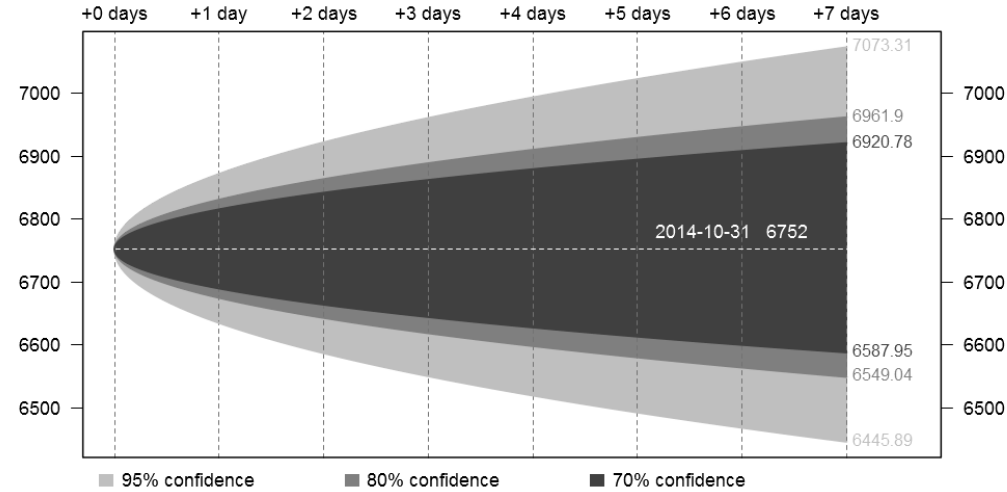
Monday, November 03, 2014

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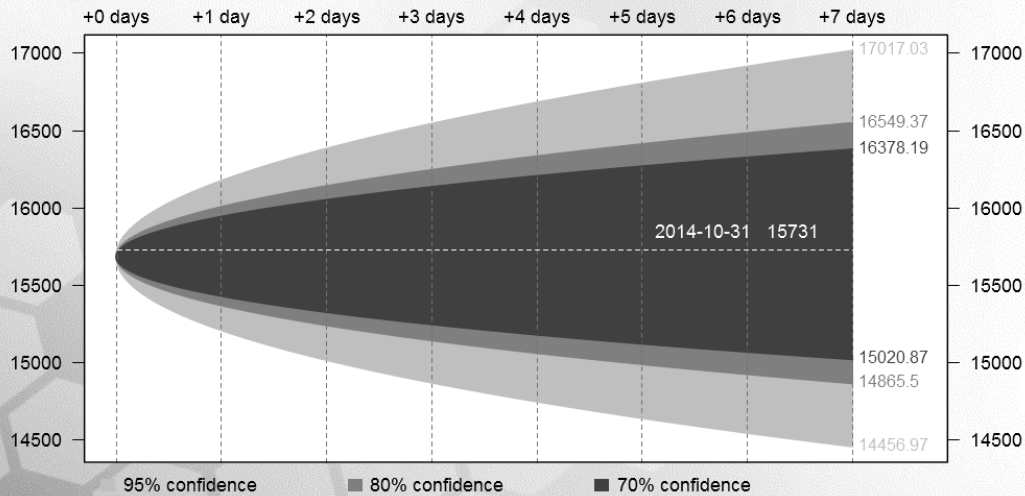
Aluminum Potential Rates



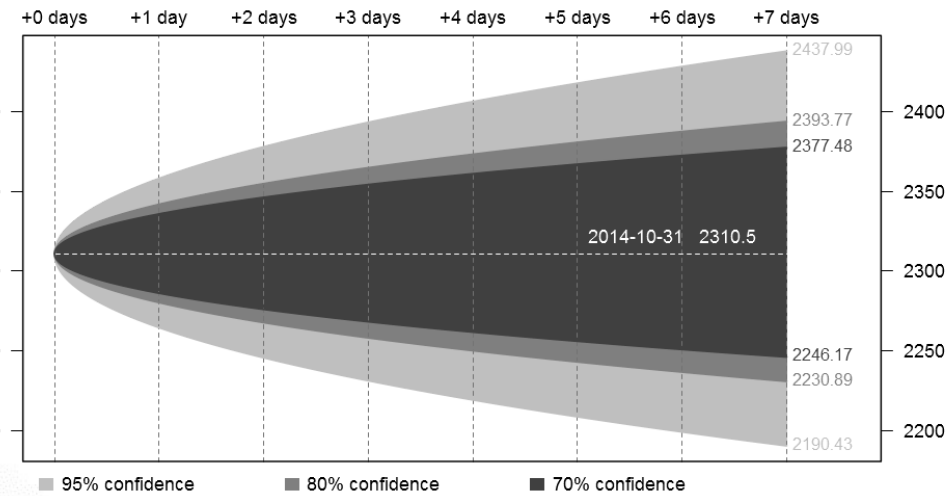
Copper Potential Rates



Nickel Potential Rates

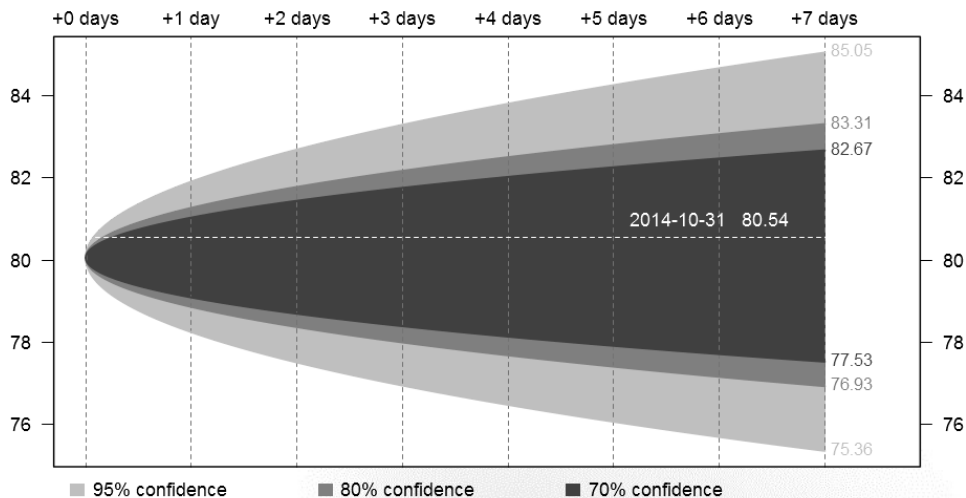


Zinc Potential Rates

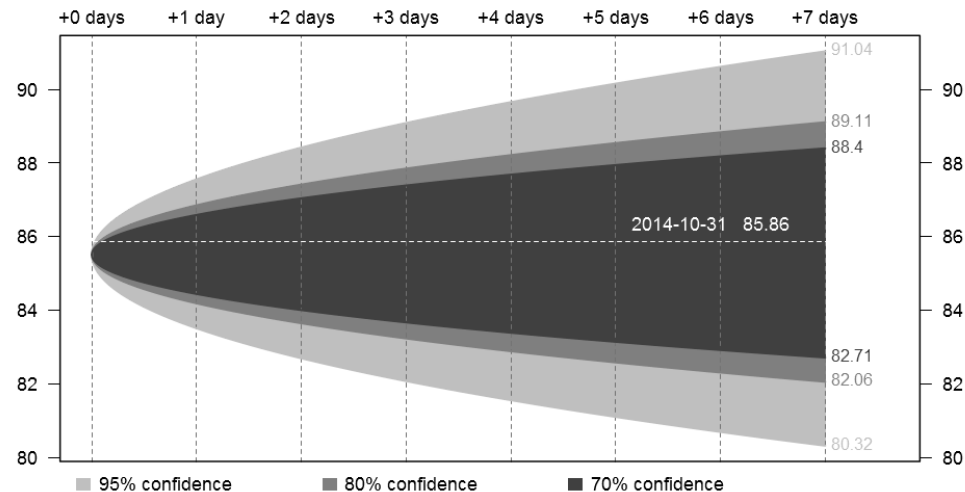


Energy Confidence Intervals for the Next 7 Days

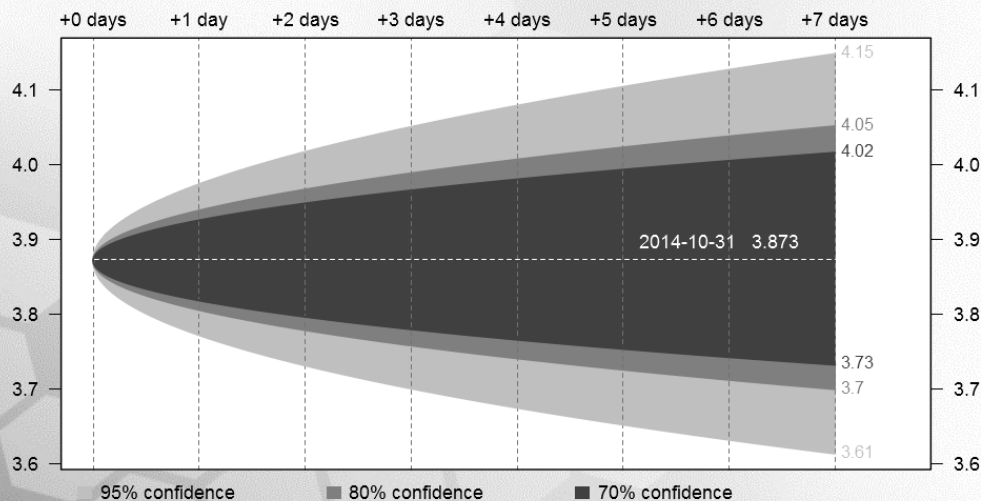
Crude.oil Potential Rates



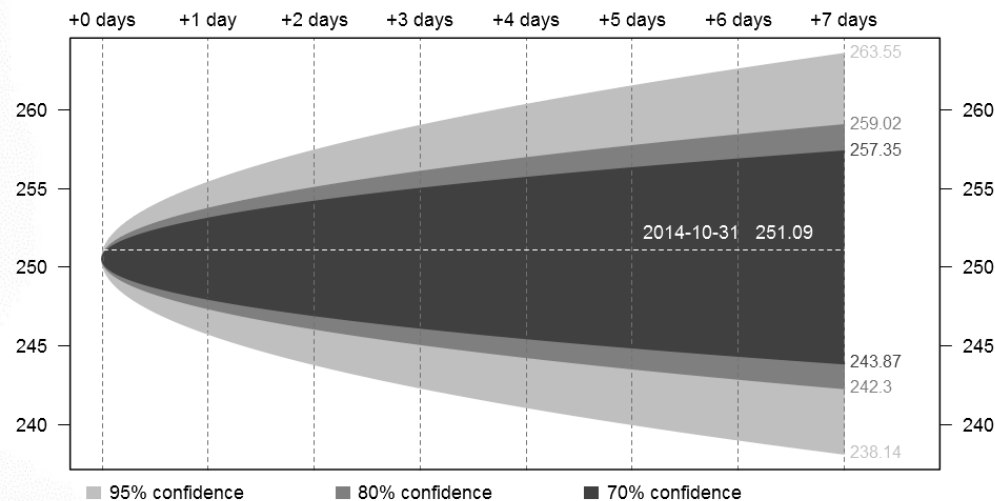
Brent.oil Potential Rates



Natural.gas Potential Rates



Heating.oil Potential Rates

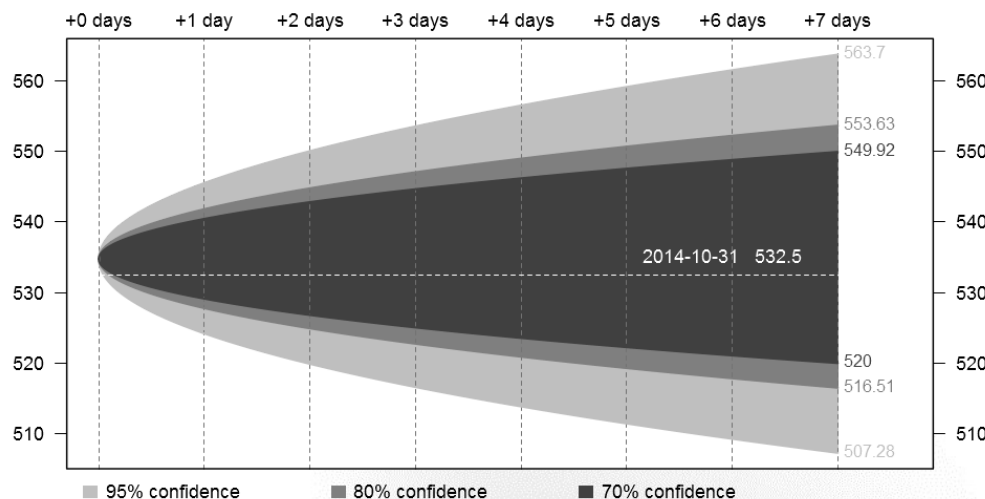


Agriculture Confidence Intervals for the Next 7 Days

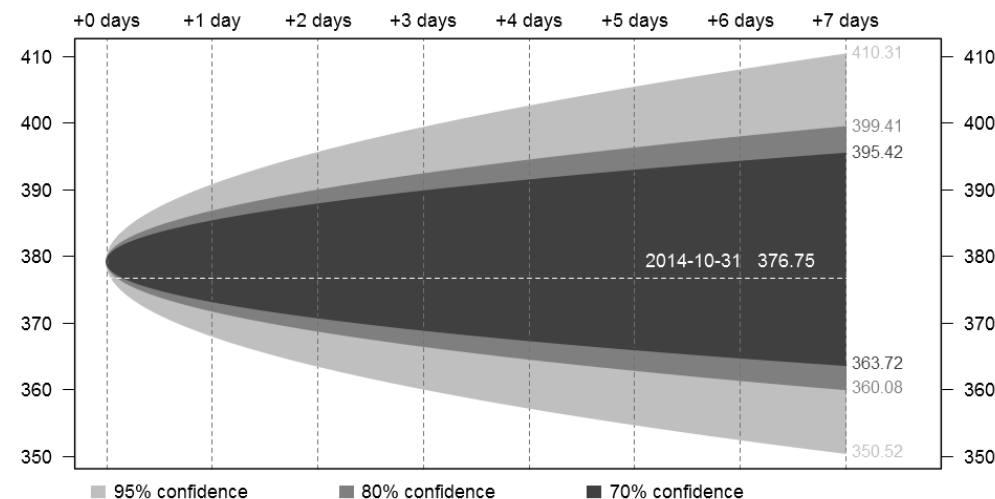
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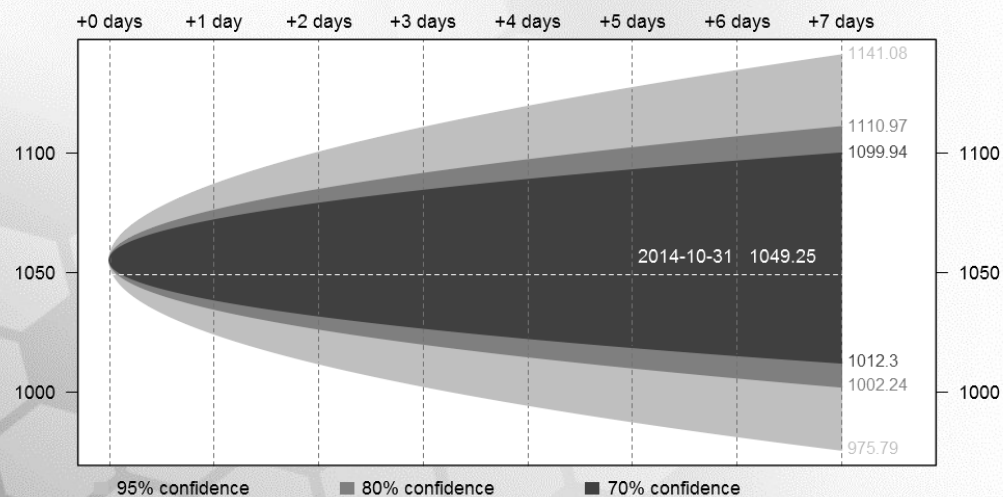
Wheat Potential Rates



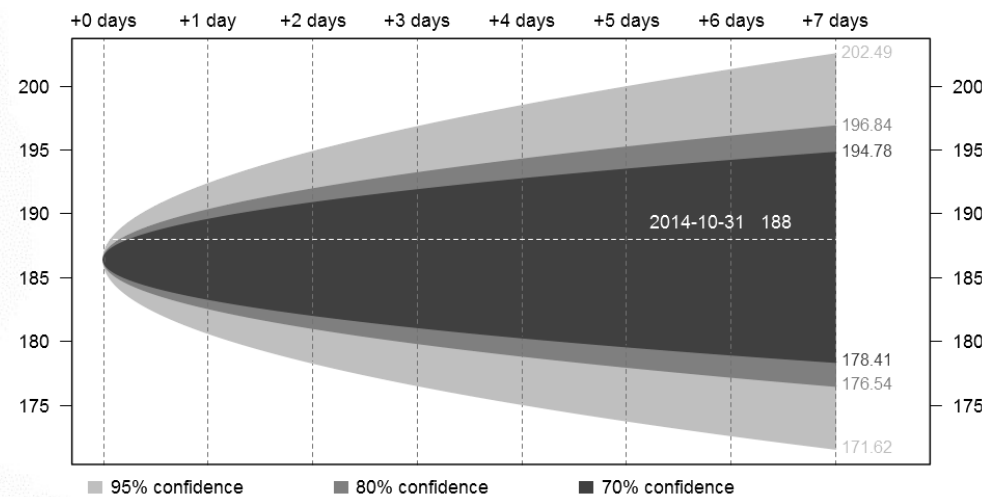
Corn Potential Rates



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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