



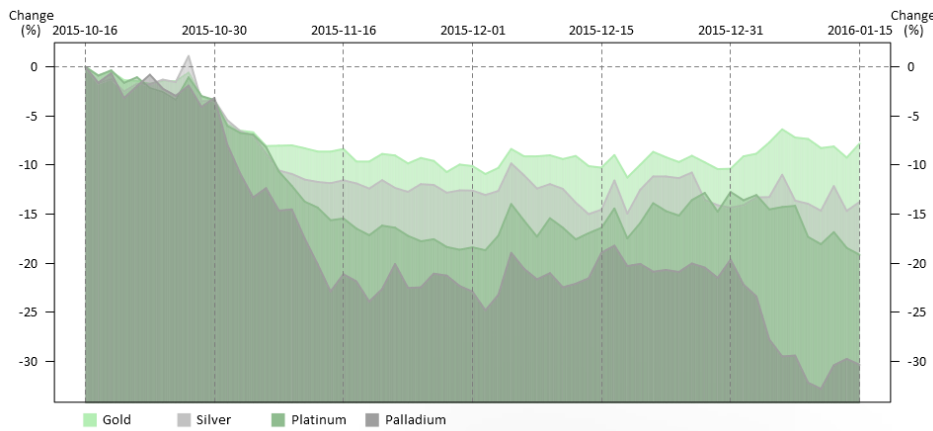
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19/01/2016



# Weekly Commodity Overview

# Precious Metals Down on Global Issues



**Gold** rallied steeply on Friday, posting the biggest one-day jump in six weeks, as investors sought a bit of relief in the precious metal on the back of sharp drop in global equity markets. Besides, soft economic data from the US along with a slightly lower Greenback helped bullion prices going up further. On the Comex division of the New York Mercantile Exchange, gold futures for delivery in February settled at \$1,090.70 a troy ounce by the end of Friday's trade, climbing \$17.10, or 1.59%, after rising to a session's high of \$1,097.50 earlier in the day, which is as much as 2.2% up from Thursday's end price. Despite slight gains, gold futures still posted losses on the week, closing the trade 0.66%, or \$7.20, lower compared to the previous week's closing price. Meanwhile, yellow metal's futures are still up around 3% so far this year amid bolstered safe-haven demand, which was influenced by global equity market rout, China-led worries as well as heightened geopolitical tensions around the world. In spite of that, the Fed's rate hike cycle as well as loose monetary policies from the other Central Banks will continue to support traders' demand for the Greenback, which will in turn be bearish for the precious metal.

**Silver** futures for March delivery inched up on Friday, settling 16.8 cents, or 1.08%, higher at \$13.89 a troy ounce on the Comex division of the New York Mercantile Exchange by the end of trade. On the week, silver prices, however, did not manage to hold gains, slipping 0.16%, or 6.9 cents.

**Platinum** inched down at the end of the previous week, with metal's futures for April delivery sliding \$1.40 on Friday to settle at \$833.40 per ounce. On the week, prices finished 5.83% down on the Nymex.

**Palladium** was at \$489.64 an ounce by the close of trade on Friday, down \$1.60 from the Thursday's close. On the week, prices of the metal settled lower, losing 1.33% of their value.

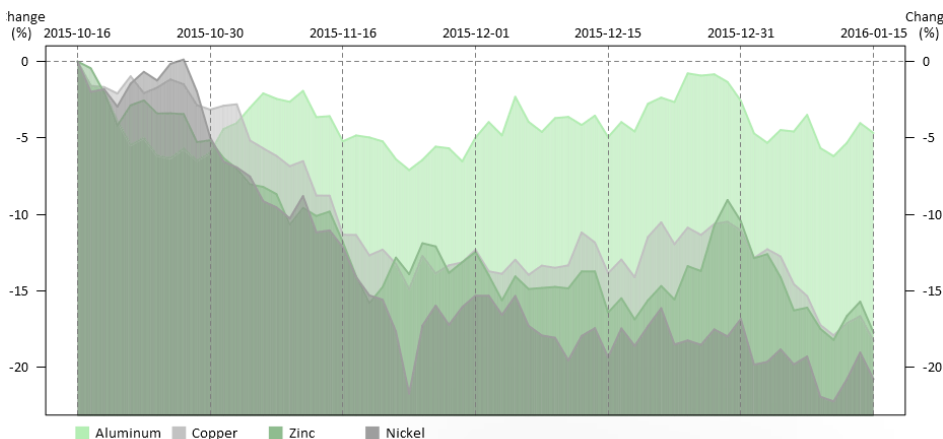
Price Changes (%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Gold	-0.66	1.29	-7.81	-3.64	-11.65	-13.77
Silver	-0.16	-2.47	-13.76	-6.32	-18.2	-18.75
Platinum	-5.83	-5.54	-19.17	-17.36	-33.21	-34.47
Palladium	-1.33	-14.84	-30.36	-21.32	-37.61	-36.45

Changes in Total Known ETF Holdings (%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Gold	0.94	1.78	-3.14	-5.17	-8.84	-7.4
Silver	-0.16	-1.73	-1.03	-3.91	-3.77	-3.62
Platinum	-0.08	-0.88	-10.5	-11.88	-8.1	-8.07
Palladium	-0.38	-2.31	-18.26	-21.4	-22.92	-22.93

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	-0.62
Monthly	0.89
3 Months	-8.53
6 Months	-4.14
12 Months	-16.97

# Base Metals Plummet Amid Worsening Chinese Economy



**Aluminum** posted losses in base metals on Friday even despite spread tightness. Metal's futures for delivery in April sank \$9.50 compared to the previous session's end price, settling at \$1,473 a tonne, bouncing back from their biggest increase since December 23 last Friday on the London Metal Exchange. Following this drop, aluminum did not manage to close the prior trading week higher, posting a weekly decrease of 1.22%. In the meantime, data showed inventories dropped 5,400 tonnes to 2,841,250 tonnes and cancellations slid 5,300 tonnes last week; however, weak growth in emerging markets continue to dampen prices of the metal, leaving the future aluminum performance dim.

**Copper** futures for delivery in March dropped on Friday, plummeting 3.2 cents, or 1.64%, to finish the trading session at \$1.943 a pound after dipping to \$1.936 earlier in the day, a level not seen since March 2009, on the Comex division of the New York Mercantile Exchange. Over the previous week, copper prices also did not manage to add, sliding 3.47%, as Chinese stock market slump and a rapid Yuan depreciation weighed on traders' sentiment. Meanwhile, copper lost already around 8.5% in 2016, as traders cut holdings of the red metal on the back of worries over economic uncertainty in China, the world's biggest copper consumer.

**Nickel** also closed Friday's trade lower, finishing at \$8,435 a tonne on the London Metal Exchange. Taking this drop into account, last week nickel futures plummeted 1.83%, as weak demand from China continued to leave the outlook for the metal uncertain.

**Zinc** shed on Friday, plummeting \$30 to settle at \$1,481 a tonne on the London Metal Exchange. As concerns the whole trading week, prices of zinc slumped 1.93% even despite stocks fell 1,075 tonnes, while cancelled warrants dropped to 446,025 tonnes and 54,600 tonnes respectively.

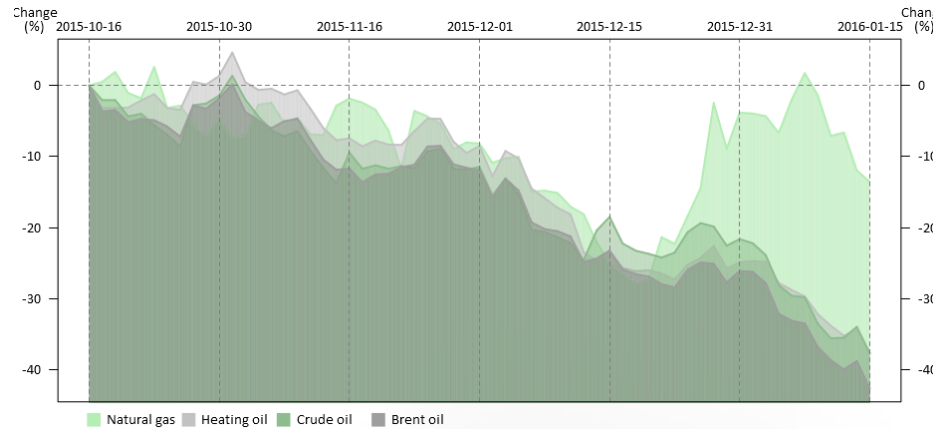
Price Changes (%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Aluminum	-1.22	-0.74	-4.68	-11.84	-16.57	-17.29
Copper	-3.47	-6.11	-18.27	-20.84	-22.55	-23.54
Nickel	-1.83	-4.02	-20.77	-27.01	-41.31	-42
Zinc	-1.93	-2.65	-17.72	-28.62	-27.5	-28.51

Changes in LME inventories(%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Aluminum	-1.01	-3.45	-8.71	-18.97	-30.59	-31.21
Copper	-2.13	0.74	-19.21	-31.1	-0.68	16.54
Nickel	-0.77	-1.11	-0.3	-4.44	2.51	3.62
Zinc	-1.72	-9.27	-23.76	-1.12	-31.14	-32.43

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
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
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
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
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

S&P GSCI Industry Metals Index	%
Weekly	-2.33
Monthly	-3.77
3 Months	-14.09
6 Months	-19.57
12 Months	-25.8

# Energy Commodities Post Losses Amid Oversupply Concerns



**Crude oil** posted a substantial drop on Friday, finishing the session close to the lowest level in around 12 years amid ongoing worries about China's economic outlook, that bolstered concerns that a global supply glut may remain on the table for much longer than expected. On the New York Mercantile Exchange, crude oil futures for delivery in February finished below \$30-level at \$29.42 a barrel by the end of Friday's trade, bringing daily decline to 5.71%, or \$1.78. On Thursday, New York-traded oil futures fell to \$29.13, a mark not seen since October 2003. Over the course of the prior trading week, Nymex oil futures plummeted around \$3.52, or 11.28%, to settle at record lows, posting the twelfth week of declines over the last fourteen, as worries about ample domestic supply along with global crude oil supply glut concerns weighed on the traders' sentiment. Meanwhile New York-traded crude oil has dropped nearly 20% since the beginning of 2016.

**Brent oil** futures for delivery in March also shed by the end of Friday's trade to settle at \$28.94 a barrel on the ICE Futures Exchange, which is down almost 6.28%, or \$1.94, on a daily basis. In the previous session, futures sank to \$28.82, the lowest since January 2004. For the week, London-traded Brent oil futures slipped 13.74%, or \$4.40, their sixth losing week in the last seven, due to meltdown on China's equity market and lingering concerns over the state of Chinese economy overall.

**Natural gas** futures reversed last week's gains, plummeting to a three-week low on Friday, as updated weather forecast pointed to a bit milder temperatures across the US until the end of January. On the Nymex, natural gas futures for February delivery settled 1.82% lower at \$2.100 per million British thermal units by the end of Friday, after falling to \$2.086 earlier in the week, the lowest since late December. For the week, futures plunged 15.05%, or 34.6 cents, posting the biggest weekly decline since February 2014.

Price Changes (%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Crude oil	-11.28	-19.95	-37.75	-42.55	-39.32	-36.39
Brent oil	-13.74	-22.6	-42.65	-49.32	-41.96	-40.05
Natural gas	-15.05	17.32	-13.58	-26.83	-35.04	-33.5
Heating oil	-11.2	-16	-37.57	-43.86	-43.55	-42.44

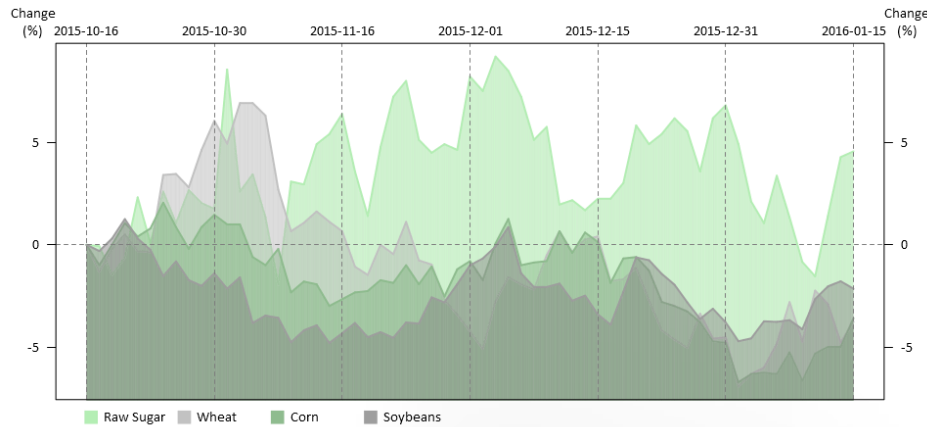
Changes in U.S. inventories (%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Crude oil	0.05	-0.68	2.99	4.58	24.44	26.19
Gasoline	3.64	10.47	8.65	10.29	0.04	1.38
Natural Gas	-4.61	-10.44	-6.91	25.59	21.8	12.5
Distillate Fuel	3.85	10.8	12.14	17.18	18.38	20.91

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
Brent oil	52.5	97	69.54	60	98	75.03	55	98	75.87	50	100	75.92
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

S&P GSCI Energy Index	%
Weekly	-12.27
Monthly	-19.22
3 Months	-40.89
6 Months	-48.89
12 Months	-45.88



# Grains Finish Mixed Amid Short-Covering



Price Changes (%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Corn	1.75	-1.76	-3.58	-15.77	-4.66	-4.41
Wheat	-0.99	-2.02	-3.76	-14.49	-11.9	-11.07
Soybeans	1.59	1.82	-2.14	-12.69	-12.91	-11.3
Raw Sugar	3.18	2.26	4.56	11.76	-10.17	-11.77

USDA Waste Total Estimated Inventories (\$ ) and Changes (%)					
	Today	Month	6 Months	YTD	3 Years
Corn	211854	-0.03	8.54	1.76	53.3
Wheat	229864	1.13	13.57	8.39	30.9
Soybeans	465	0	-2.11	13.41	257.69
Raw Sugar	39598	0	-2.3	-6.2	3.39

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
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

**Corn** tacked on over the course of the previous week, being bolstered mainly by a jump in wheat market and sluggish farmer-selling, which is giving some hints to buyers to increase bids to produce healthy grain supplies. Moreover, prices were also supported by indications that Brazil will buy corn from Argentina, which would help to create overall optimistic demand in the global market. At the Chicago Board of Trade, the most actively-traded corn futures for delivery in March posted a slight gain of 2.75 cents, or 0.8%, to settle at \$3.60 a bushel by the close of trade on Friday, while on the week prices added 1.75% amid short-covering from market players' side.

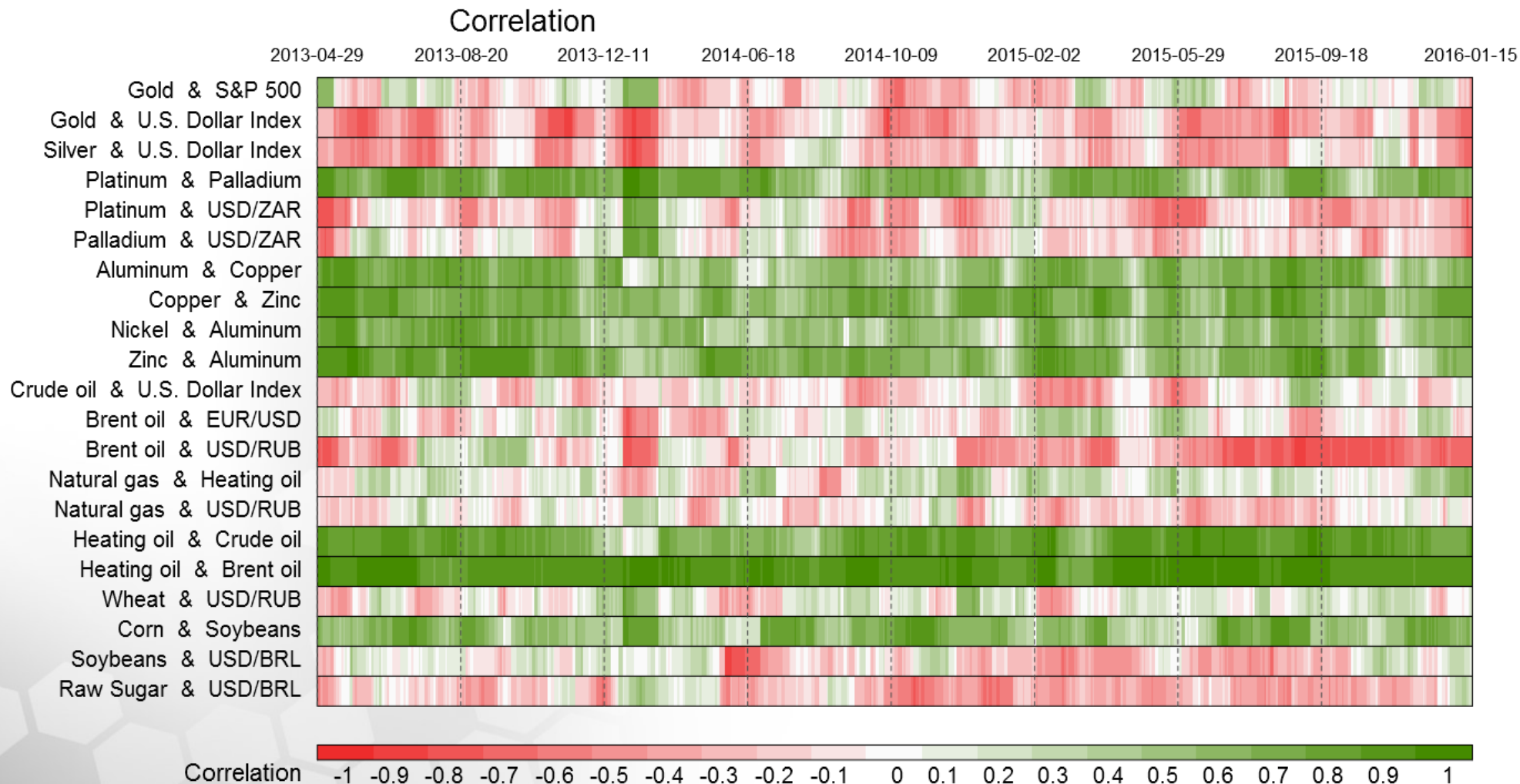
**Wheat** prices rose on Friday, being supported by traders' short-covering caused by expectations for the cooler weather in the US that could potentially harm the winter wheat crop. At the Chicago Board of Trade, wheat futures for delivery in March, the best-traded contract, added 3 cents, or 0.6%, to finish Friday's session at \$4.71 a bushel. Despite these gains, US grain prices did not manage to inch up on the week, finishing the trade 0.99% lower compared to the previous week's closing price at the Chicago Board of Trade.

**Soybean** prices closed out the last trading day of the previous week on a down note, plummeting 0.8%, or 6.75 cents, to settle at \$8.75 a bushel by the end of Friday's trade at the Chicago Board of Trade, following a substantial plunge in Chinese stocks that a week ago caused prices of soybeans drop significantly. On the week, however, the best-traded soybean futures for delivery in February jumped 1.59%, despite signs of economic weakness in China, the world's biggest soybean buyer.

**Raw sugar** was among the best performers of the last week on the grain market. Over the course of the prior trading week, the most actively-traded raw sugar futures managed to rise 3.18% at the Chicago Board of Trade.

S&P GSCI Agriculture Index	%
Weekly	0.65
Monthly	-1.2
3 Months	-3.92
6 Months	-12.5
12 Months	-14.49

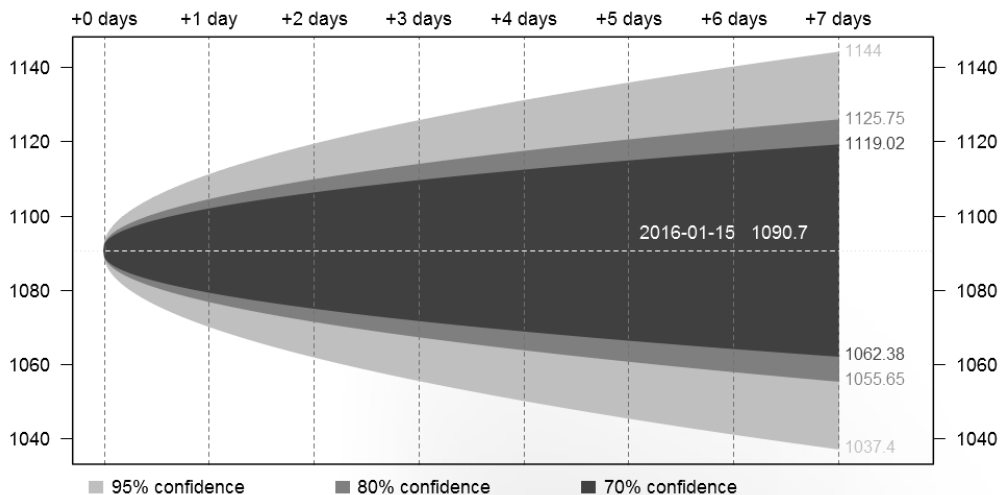
# Correlation Matrix



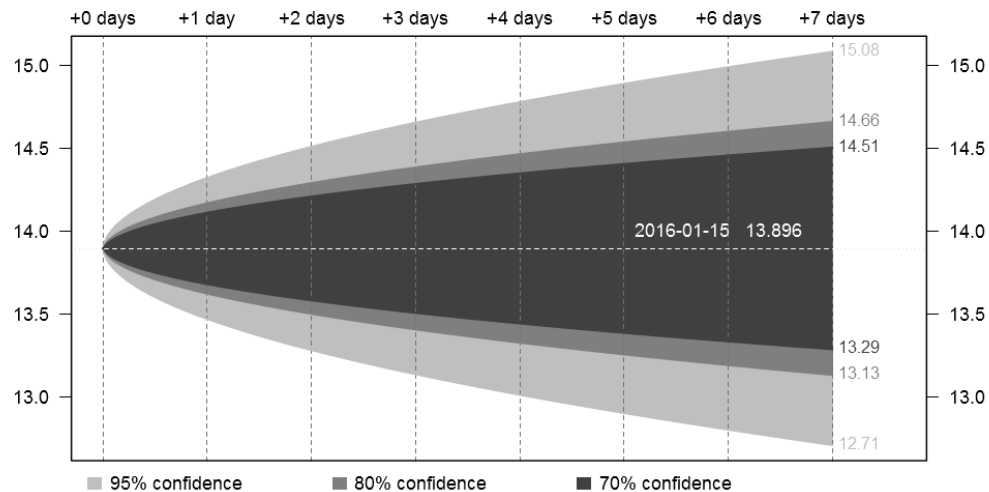
# Precious Metals Confidence Intervals for the Next 7 Days

Tuesday, January 19, 2016

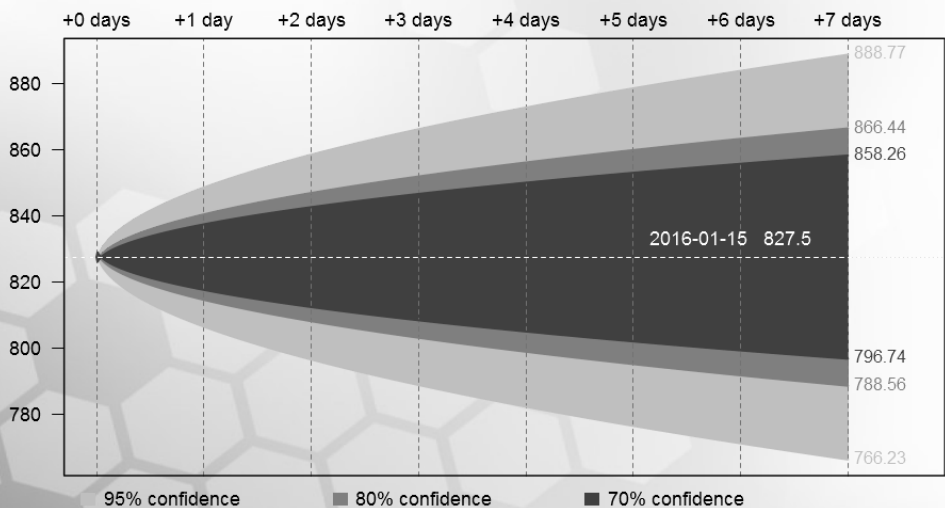
Gold Potential Rates



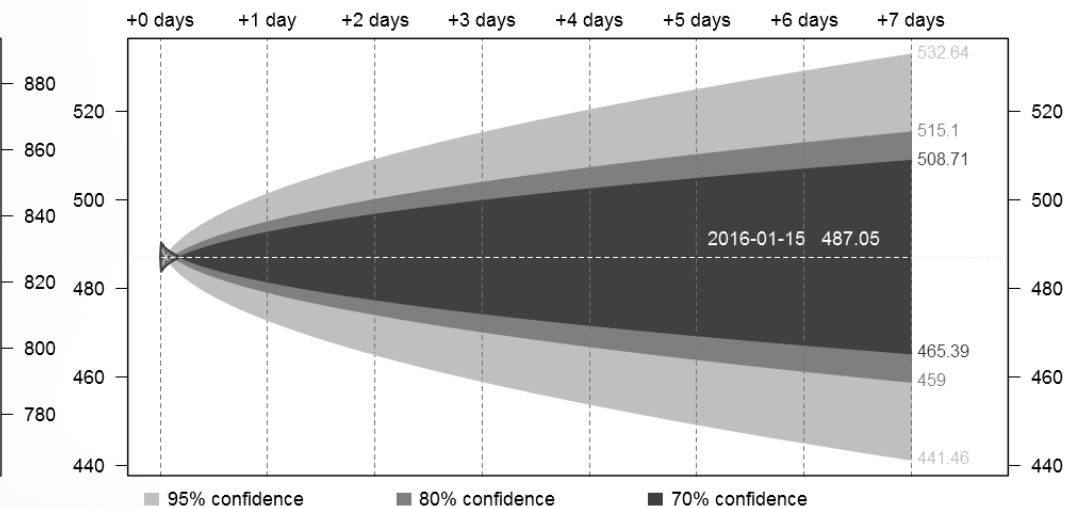
Silver Potential Rates



Platinum Potential Rates



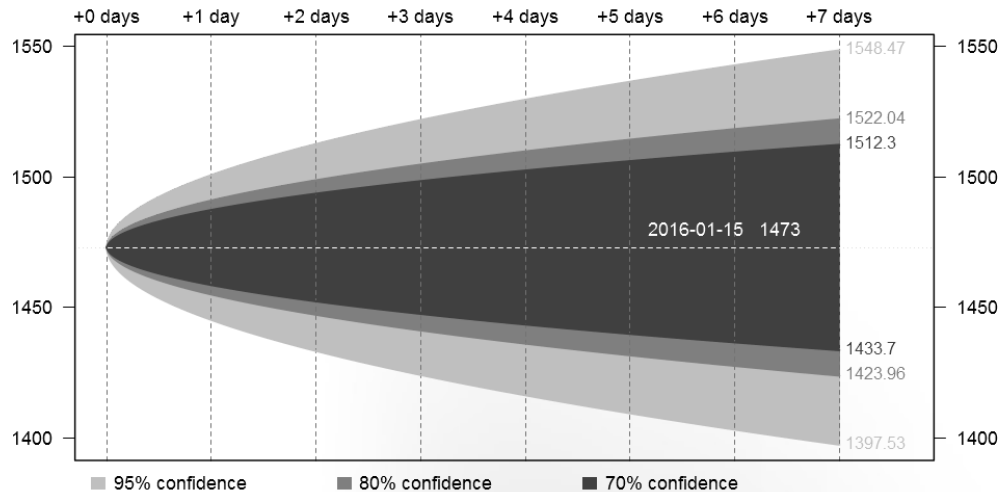
Palladium Potential Rates



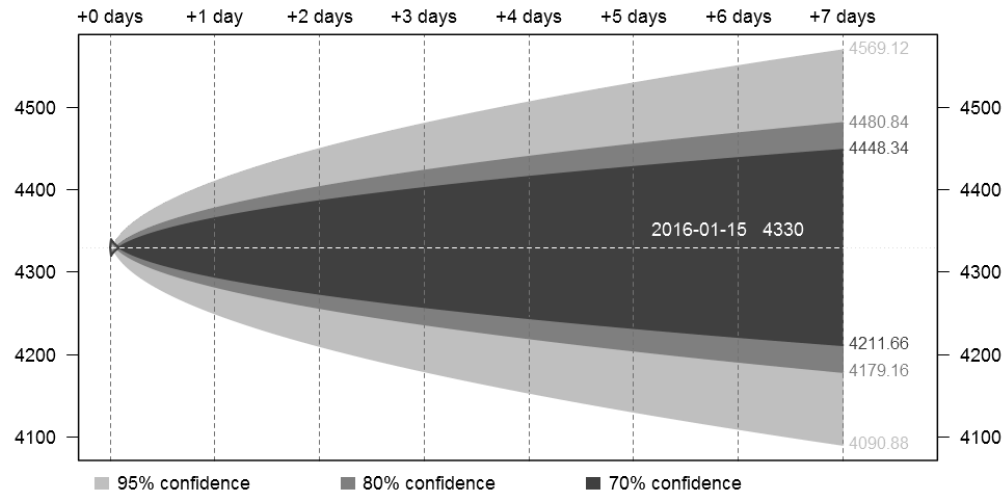
# Industrial Metals Confidence Intervals for the Next 7 Days

Tuesday, January 19, 2016

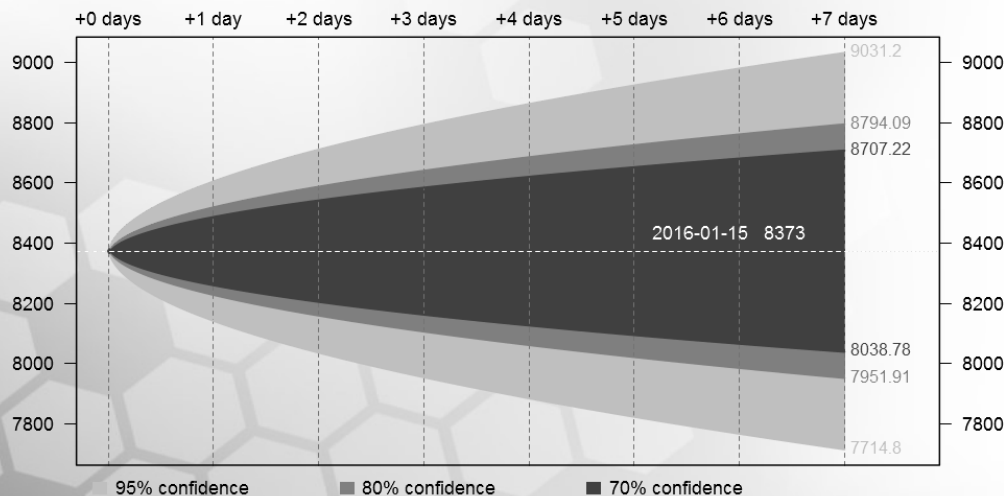
Aluminum Potential Rates



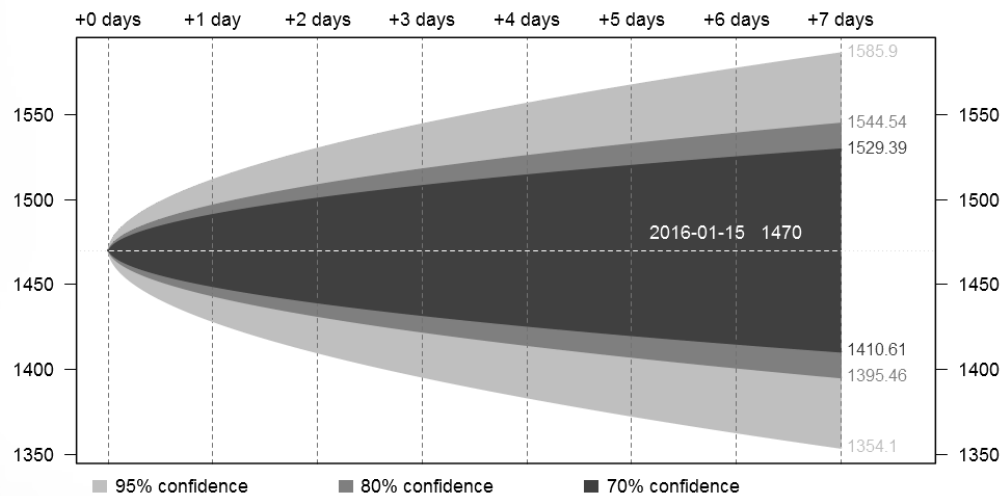
Copper Potential Rates



Nickel Potential Rates



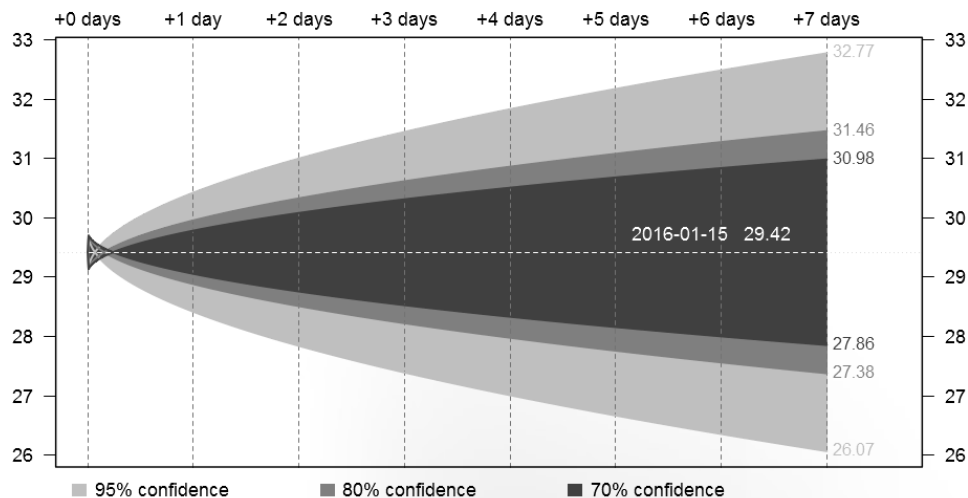
Zinc Potential Rates



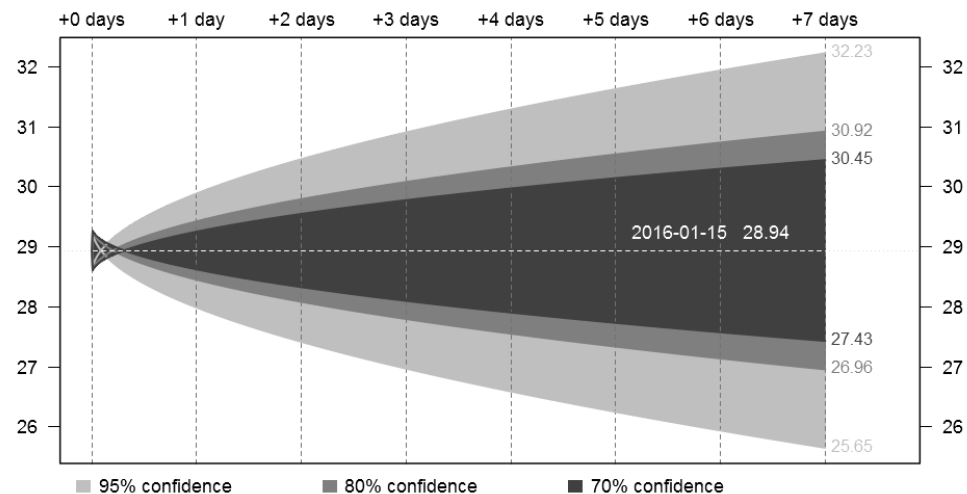


# Energy Confidence Intervals for the Next 7 Days

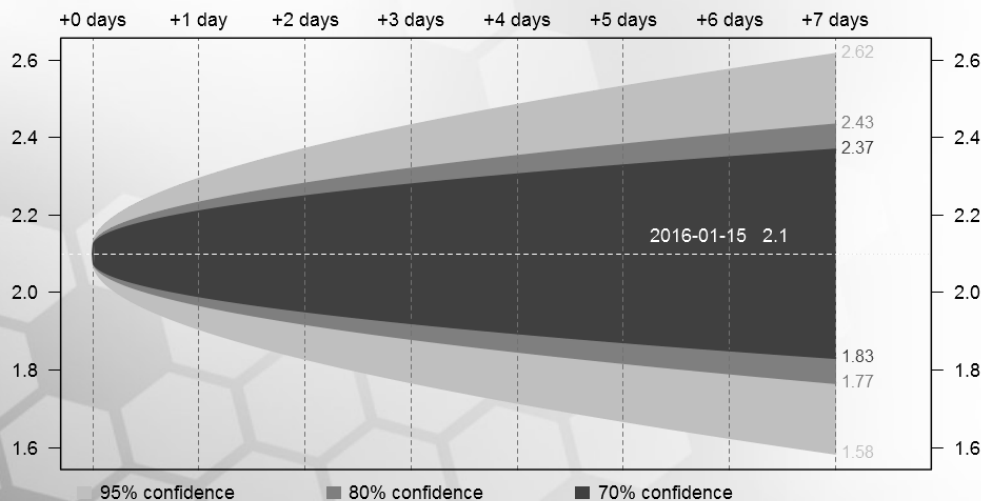
Crude oil Potential Rates



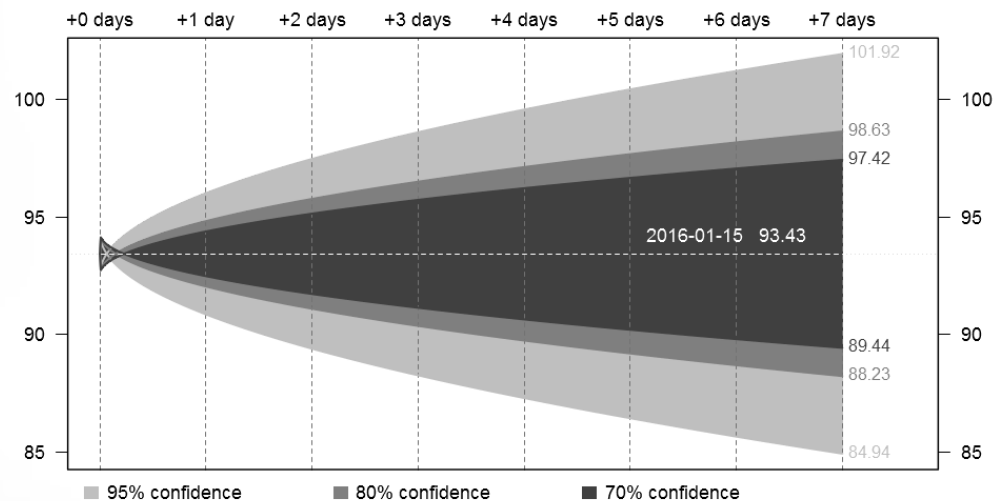
Brent oil Potential Rates



Natural gas Potential Rates

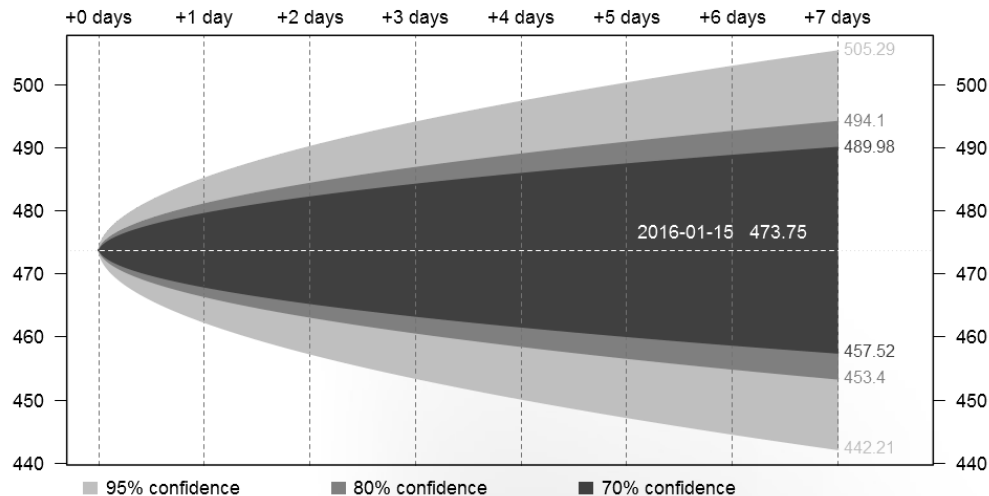


Heating oil Potential Rates

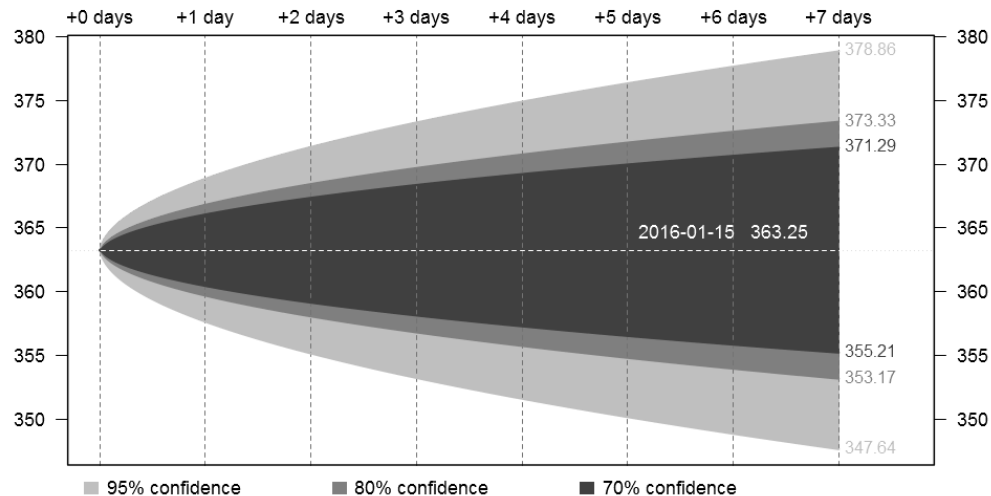


# Agriculture Confidence Intervals for the Next 7 Days

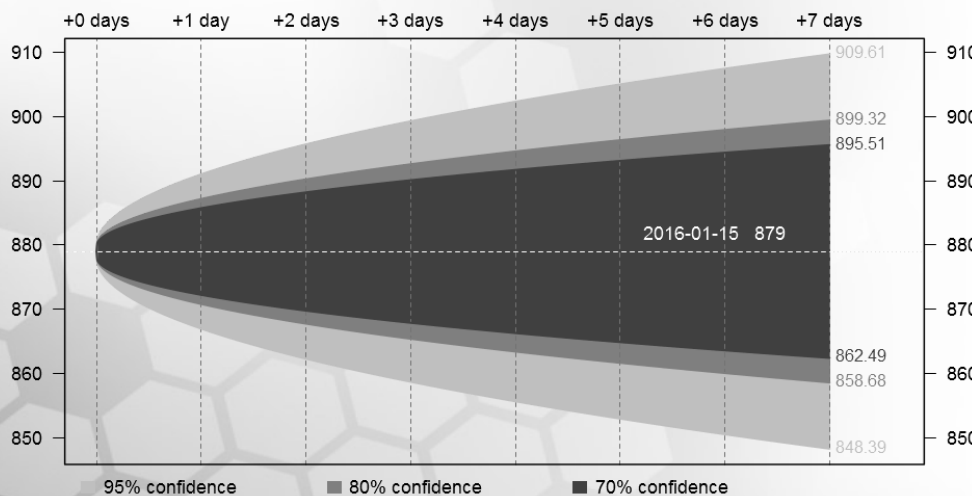
Wheat Potential Rates



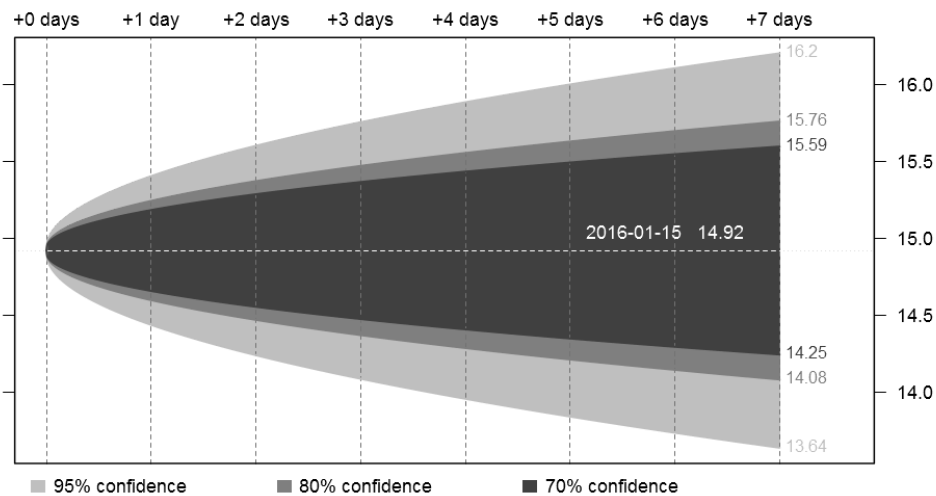
Corn Potential Rates



Soybeans Potential Rates



Raw Sugar 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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