



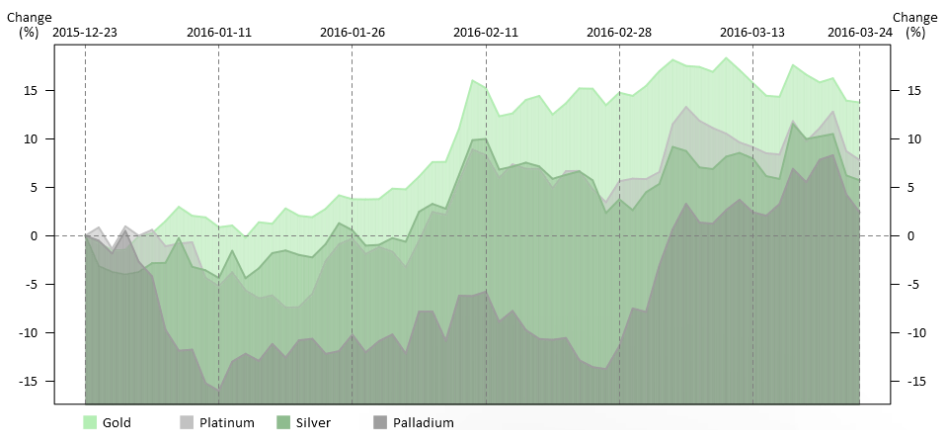
**DUKASCOPY**  
RESEARCH PRODUCTS

28/03/2016



# Weekly Commodity Overview

# Precious Metals Plummet on Hawkish Comments from Fed



**Gold** slumped to a four-week low during the last trading day of the prior week, as more hawkish comments from a couple of Fed's policymakers renewed indications that the US Central bank could consider hiking rates as soon as April, which, in turn, caused the Greenback to rally. On the Comex division of the New York Mercantile Exchange, gold futures for delivery in April declined to a midday bottom of \$1,211.20, posting the worst close since February 26, before settling at \$1,221.60 a troy ounce by the end of Thursday's trade, showing a decrease of \$2.40, or 0.2%, compared to Wednesday's final price. As metals trading was closed on Friday, over the course of the whole trading week, gold futures did not manage to tick up, closing 3.28% down compared to the previous week's finishing price, marking the third consecutive weekly loss, which was the biggest decrease since November. Still, the precious metal is up nearly 14% so far this year on the back of expectations that the situation in the global economy, namely China-led economic slowdown and worldwide financial instability, will make it tough for the Fed to lift rates this year.

**Silver** also posted declines on the back of hawkish Fed's comments. Metal's futures for May delivery dipped on Thursday, settling 0.48% lower at \$15.19 a troy ounce, after hitting an intraday low of \$15.10, a level not seen since March 3 on the Comex. On the week, silver prices dipped as much as 5.2%.

**Platinum** plummeted on Thursday, with metal's futures for April delivery declining 0.1% to settle at \$959.90 per ounce, while on the week prices shed 3.6% on the Nymex.

**Palladium** continued its downtrend, sliding to \$572.90 an ounce on Thursday, down \$10.20 from Wednesday's close. On the week, prices of the metal ticked downwards, plummeting 4.21% on the New York Mercantile Exchange.

Price Changes (%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Gold	-3.28	0.07	13.72	6.8	2.95	2.63
Silver	-5.2	-0.53	5.7	0.58	-10.02	-10.5
Platinum	-3.6	1.06	7.78	0.23	-16.78	-16.56
Palladium	-4.21	14.45	2.4	-14.22	-25.7	-25.02

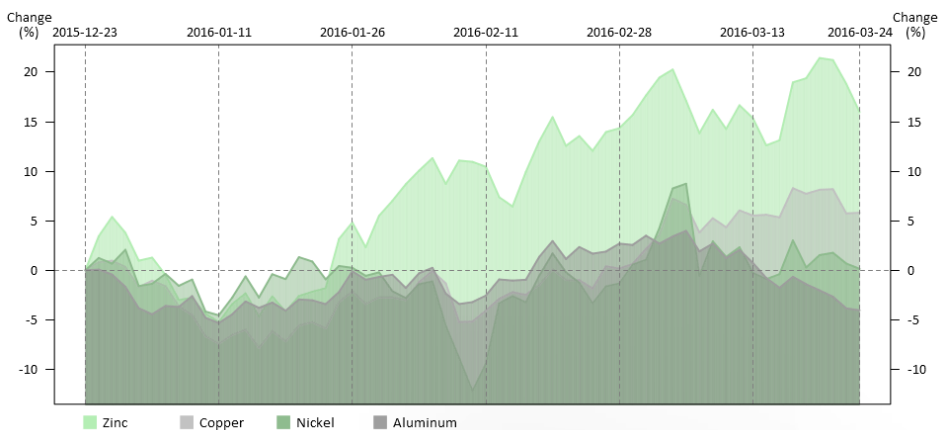
Changes in Total Known ETF Holdings (%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Gold	1.71	6.18	20.54	15.8	9.13	8.7
Silver	0.62	4.32	2.76	2.03	0.53	0.04
Platinum	-0.21	2.01	-1.9	-16.02	-11.35	-11.69
Palladium	-0.04	1.77	-5.01	-22.32	-22.48	-21.83

## Precious Metals Long-Term Price Forecasts (USD per ounce)

	Q1 16			Q2 16			Q3 16			Q4 16		
	Min	Max	Avg	Min	Max	Avg	Min	Max	Avg	Min	Max	Avg
Gold	950	1 534	1 128.48	960	1 375	1 114.75	960	1 400	1 123.71	925	1 400	1 128.04
Silver	12.67	25	15.73	12.3	22.3	15.63	12.3	23	15.93	12.5	24	16.05
Platinum	800	1 500	1 026.17	725	1 530	1 058.06	838	1 520	1 099.83	875	1 540	1 113.82
Palladium	490	950	623.45	475	950	658.2	525	950	697.07	560	950	731.63

S&P GSCI Precious Metals Index	%
Weekly	-3.56
Monthly	-0.05
3 Months	12.79
6 Months	6
12 Months	1.4

# Base Metals In Red Amid Higher US Dollar



**Aluminum** posted gains on Thursday, with metal's futures for delivery in April trading at \$1,488 on the London Metal Exchange, up \$8.50, as data revealed stocks dipped 7,925 tonnes to 2,821,375 tonnes, while cancelled warrants declined 7,675 tonnes to 877,834 tonnes by the end of the short trading week. Despite the increase posted on Thursday, aluminum did not manage to close the prior trading week higher, finishing down 3.4% and posting the third consecutive weekly decrease. Moreover, weak growth in emerging markets as well as ongoing concerns over the state of the world's and China's economies continued to drag prices of the industrial metal down, leaving the outlook for aluminum performance quite uncertain.

**Copper** futures for delivery in May declined on Thursday, closing at \$2.229 a pound, down 0.6 cents, or 0.29%. In light of this loss, prices of the red metal did not manage to advance over the course of the prior trading week, settling 2.28%, or 5 cents, lower on the Comex division of the New York Mercantile Exchange, being mainly influenced by generally higher Greenback, which has lost momentum at the end of the previous trading week amid a hawkish outlook on the US rate hike path. In the meantime, news revealed that inventories jumped 700 tonnes to 151,375 tonnes, following a huge drop recorded earlier in the week.

**Nickel** was on an down note on Thursday, failing to breach an important level of \$9000 and closing at \$8,686, down \$9 compared to Wednesday's close. Over the past four trading days, metal's futures finished 2.79% lower on the LME, despite stocks declined 438 tonnes to 432,672 tonnes.

**Zinc** was also down on Thursday, dropping \$30 to finish at \$1,806 on the London Metal Exchange. Over the week, futures of the metal did not manage to rebound, settling 2.52% lower, in spite of inventories falling to 438,175 tonnes.

Price Changes (%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Aluminum	-3.4	-5.12	-4.03	-6.27	-18.09	-17.82
Copper	-2.28	6.84	5.81	-1.4	-19.15	-19.48
Nickel	-2.79	0.35	0.15	-13.16	-39.58	-38.05
Zinc	-2.52	3.03	15.96	10.03	-14.1	-14.07

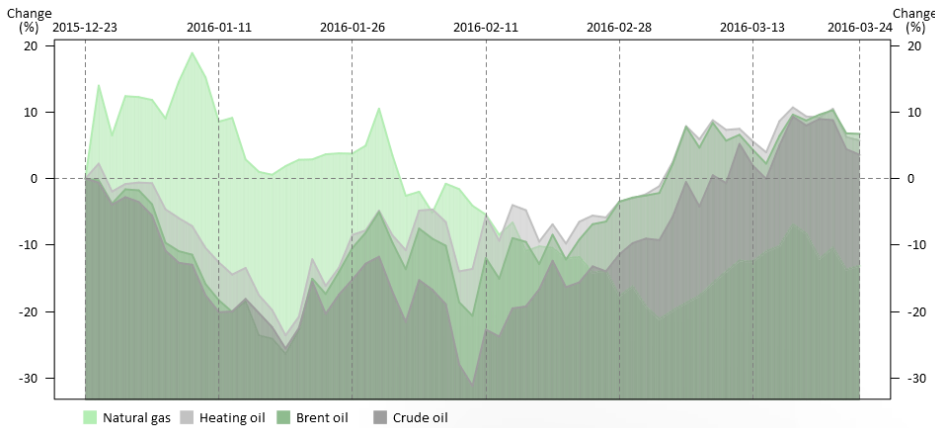
Changes in LME inventories(%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Aluminum	-1.42	1.16	-3.18	-11.54	-28.6	-29.04
Copper	-5.93	-25.69	-35.64	-53.46	-54.76	-55.77
Nickel	-0.5	-0.63	-2.84	-4.87	-0.55	0.27
Zinc	-2.41	-12.04	-6.96	-26.43	-15.04	-15.77

## Industrial Metals Long-Term Price Forecasts (USD)

	Q1 16			Q2 16			Q3 16			Q4 16		
	Min	Max	Avg	Min	Max	Avg	Min	Max	Avg	Min	Max	Avg
Aluminum	1 380	2 123	1 559.21	1 350	2 165	1 588	1 368	2 209	1 630.37	1 393	2 022	1 647.44
Copper	4 400	6 614	4 956.48	4 250	6 614	5 034.05	4 300	6 514	5 161.33	4 180	6 476	5 187
Nickel	8 200	19 504	10 803.78	7 495	20 504	11 146.28	8 449	21 255	11 657.5	8 726	21 755	11 942.65
Zinc	1 500	2 310	1 762	1 450	2 322	1 803.67	1 456	2 333	1 880.78	1 484	2 425	1 937.47

S&P GSCI Industry Metals Index	%
Weekly	-2.9
Monthly	1.57
3 Months	2.36
6 Months	-2.69
12 Months	-19.59

# Oil Tumbles on Supply Glut Worries



**Crude oil** bounced back from its highs on Thursday, as the data revealed the US oil rig count jumped for the second consecutive week, dragging prices of crude oil substantially lower and making the benchmark post the first weekly decline in the past six weeks. Earlier, persistent indications that major oil producers will cooperate to reduce the most significant over the recent time oil supply glut helped prices to high-rocket. As the market remained closed on the Good Friday holiday, on the New York Mercantile Exchange crude oil futures for delivery in May finished at \$39.46 a barrel on Thursday, after hitting a midday low of \$38.33 a barrel, a level not seen since March 15. In light of the downtick posted on Thursday, over the course of the whole trading week Nymex oil futures shed as much as 5.28%, or \$2.17, posting the first weekly loss since mid-February on the back of underlined indications over a possibly worsening supply glut. In the meantime, crude oil futures have rebounded already around 30% since dropping to 13-year lows of \$26.05 on February 11.

**Brent oil** futures for delivery in April also slipped by the end of Thursday's trade to settle at \$40.44 a barrel on the ICE Futures Exchange, which is down 3 cents, or 0.07%, on a daily basis, following a slump to a midday low of \$39.22 earlier in the day, a level not seen since March 16. On the week, London-traded Brent oil futures did not manage to rise, declining 2.65%, snapping a five-week winning streak on the back of uncertainty over expectations that Saudi Arabia and Russia will cut oil production anytime soon.

**Natural gas** futures reversed their losses on Thursday, bouncing off a two-week low as the data revealed US supplies in storage jumped less than expected last week. On the New York Mercantile Exchange, natural gas futures for April delivery finished up 0.67% at \$1.806 per million British thermal units. Over the course of the week, however, natural gas futures still tumbled 6.71%, snapping a two-week winning streak amid warmer-than-anticipated weather forecasts across the US.

Price Changes (%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Crude oil	-5.28	23.82	3.57	-13.65	-16.84	-16.94
Brent oil	-2.65	21.55	6.73	-16.79	-27.68	-26.62
Natural gas	-6.71	-1.26	-13.13	-31.36	-34.57	-35.73
Heating oil	-4.51	17.2	5.72	-21.32	-30.79	-29.8

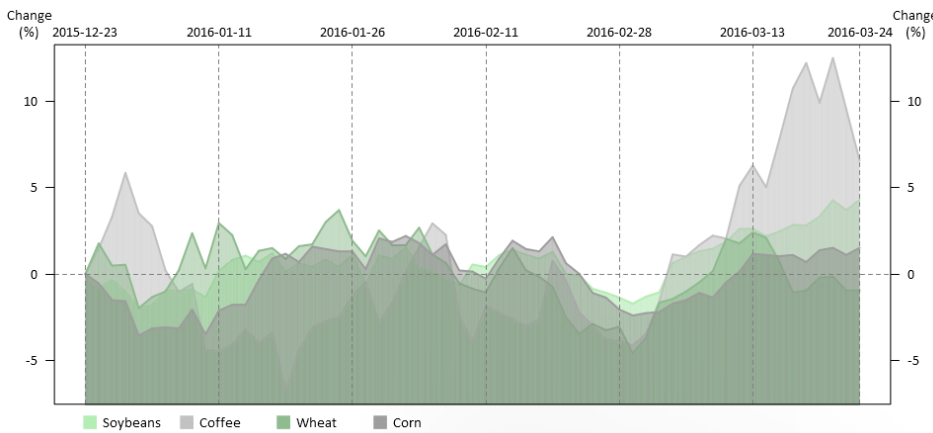
Changes in U.S. inventories (%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Crude oil	1.79	5.64	9.85	17.31	14.11	16.15
Gasoline	-1.86	-5.26	11.15	12.03	5.01	4.11
Natural Gas	0.61	-7.7	-34.64	-27.53	68.56	69.94
Distillate Fuel	0.57	-0.07	7.23	6.84	28.93	28.9

## Energy Futures Long-Term Price Forecasts (USD)

	Q1 16			Q2 16			Q3 16			Q4 16		
	Min	Max	Avg	Min	Max	Avg	Min	Max	Avg	Min	Max	Avg
Crude oil	29	87	45.74	30	95	48.05	36	85	51.5	38	90	52.45
Brent oil	30	95	48.16	30	100	50.42	37	90	53.79	34.5	95	53.77
Natural gas	33.81	42	38.16	30.59	38	34.32	28.98	38	33.8	35	44	39.28
Heating oil	106	162	137.67	117.9	150	139.3	129.8	170	153.93	147.6	195	176.2

S&P GSCI Energy Index	%
Weekly	-3.67
Monthly	17.15
3 Months	-5.53
6 Months	-28.8
12 Months	-39.54

# Grains Finish Higher on Fresh Demand Expectations



**Corn** prices edged up on Thursday, with futures for immediate delivery rising on the back of expectations for fresh foreign demand for the grain. Moreover, the USDA reported private exporters had booked 260,000 metric tons of corn sales to deliver to Taiwan this year. Furthermore, trader short covering ahead of the long holiday weekend helped prices to hold gains. At the Chicago Board of Trade, the most actively-traded corn futures for delivery in May finished up 1.5 cents, or 0.4%, to settle at \$3.70 a bushel by the close of trade on Thursday, while on the week prices of corn added 0.41% compared to the previous week's closing price.

**Wheat** prices were unchanged on Thursday, after trading substantially lower for the rest of the session amid a stronger Greenback. In the meantime, investors kept an eye on forecasts for cold weather in the US key growing regions for the upcoming days. At the Chicago Board of Trade, wheat futures for delivery in May, the best-traded contract, finished Thursday's session at \$4.63 a bushel, bringing the weekly increase to 0.11%.

**Soybeans** managed to book gains during the last trading day of the prior week, jumping on the back of investor short covering and increasing demand indications for some crops ahead of the USDA reports due on March 31. At the Chicago Board of Trade, soybeans futures for delivery in May added 5.25 cents, or 0.6%, to close at \$9.10 a bushel. Based on that, soybeans managed to advance on the week, jumping 1.42% compared to the previous week's finishing price at the CBOT.

**Coffee** was trading in red over the past trading week, with the best-traded futures plummeting 3.77%, which made coffee the worst weekly performer among farm commodities.

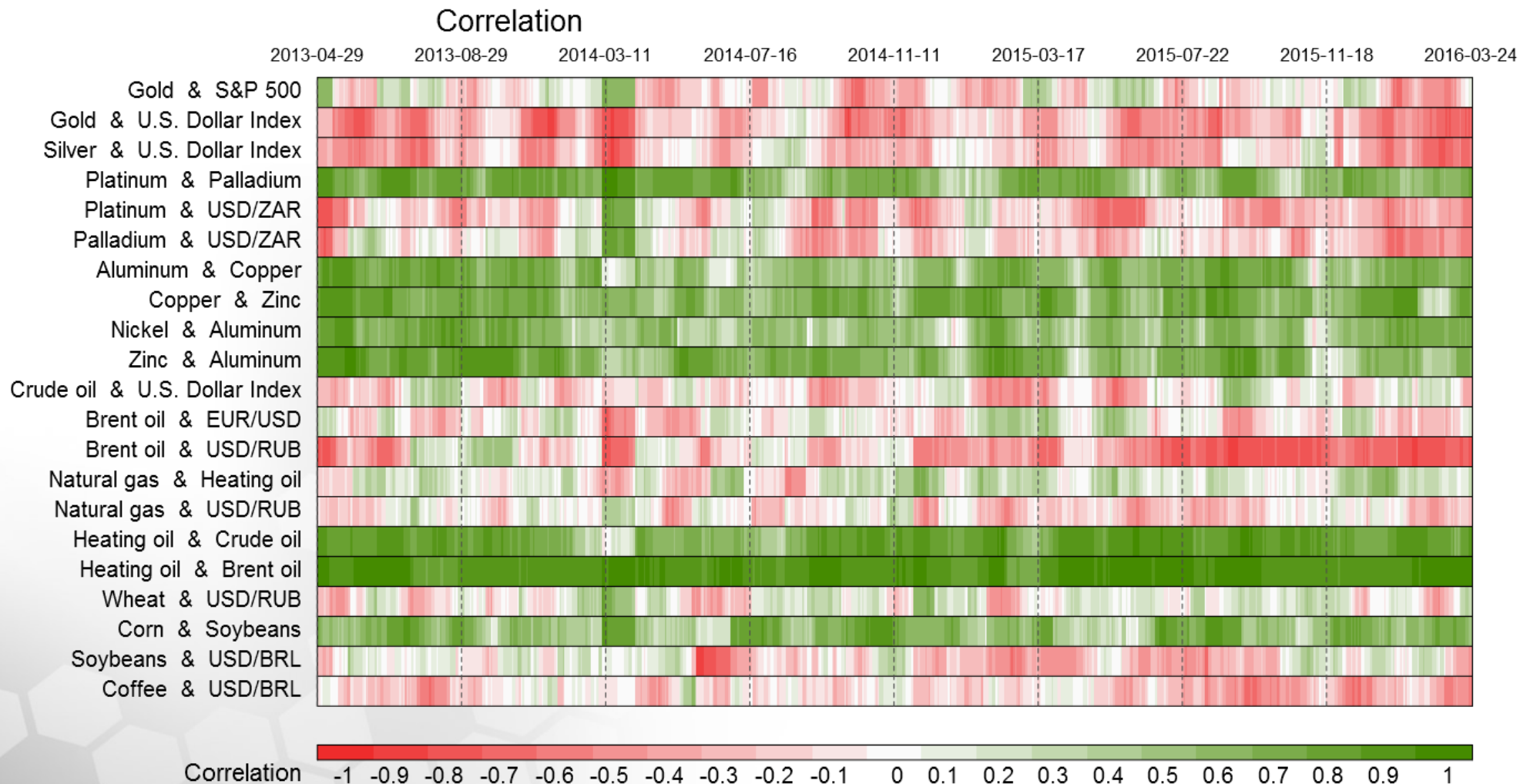
Price Changes (%)						
	Weekly	Monthly	3 Months	6 Months	12 Months	YTD
Corn	0.41	0.89	1.51	-4.88	-5.19	-5.91
Wheat	0.11	1.59	-0.96	-8.81	-13.3	-11.56
Soybeans	1.42	4.3	4.3	2.39	-7.42	-7.26
Coffee	-3.77	6.96	6.56	3.95	-10.08	-7.1

USDA Wasde Total Estimated Inventories (\$ and Changes (%)					
	Today	Month	6 Months	YTD	3 Years
Corn	208807	-1.46	6.98	0.3	51.09
Wheat	238865	5.09	18.02	12.63	36.02
Soybeans	450	2.27	-4.26	16.88	69.81
Coffee	36692	16.33	16.33	-13.73	4.15

Farm Commodities Long-Term Price Forecasts (USD)												
	Q1 16			Q2 16			Q3 16			Q4 16		
	Min	Max	Avg	Min	Max	Avg	Min	Max	Avg	Min	Max	Avg
Corn	351.9	405	380.74	342.5	410	386.94	337.5	425	390.94	332.5	450	396.69
Wheat	457.5	620	512.55	442.5	620	514.75	437.5	620	520.55	432.5	590	522.06
Soybeans	850	950	880.45	837.5	950	889.19	832.5	950	883.31	827.5	950	898.81
Coffee	116.5	130	123.92	116.2	130	122.62	110	135	122.43	110	135	124.12

S&P GSCI Agriculture Index	%
Weekly	-0.13
Monthly	3.57
3 Months	0.16
6 Months	-3.06
12 Months	-9.69

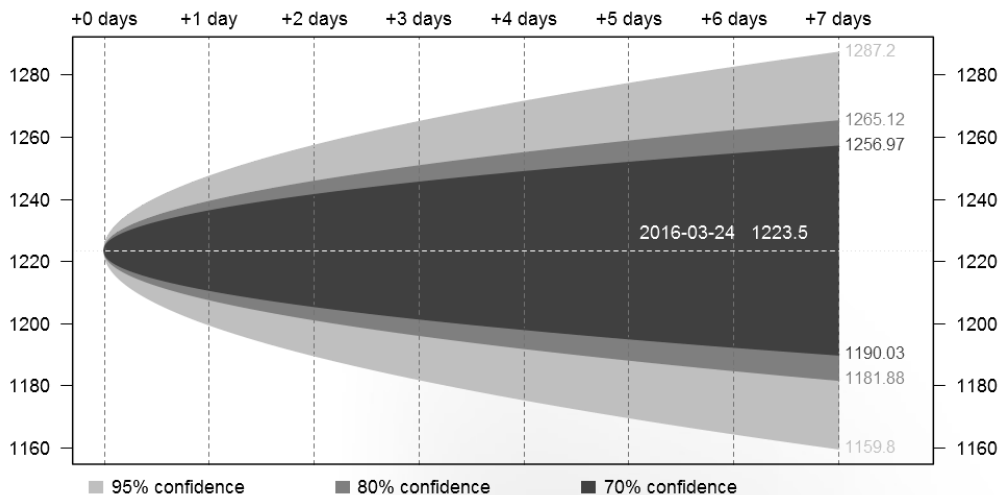
# Correlation Matrix



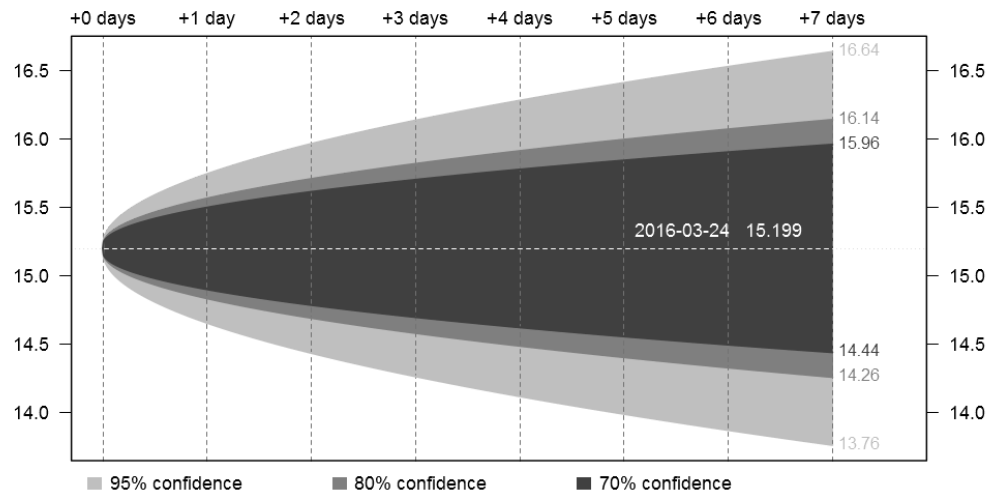
# Precious Metals Confidence Intervals for the Next 7 Days

Monday, March 28, 2016

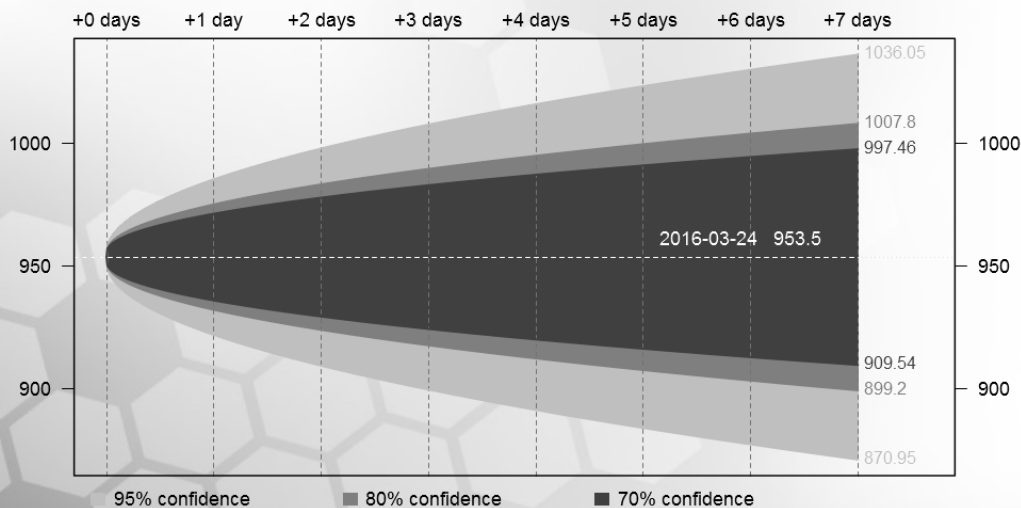
Gold Potential Rates



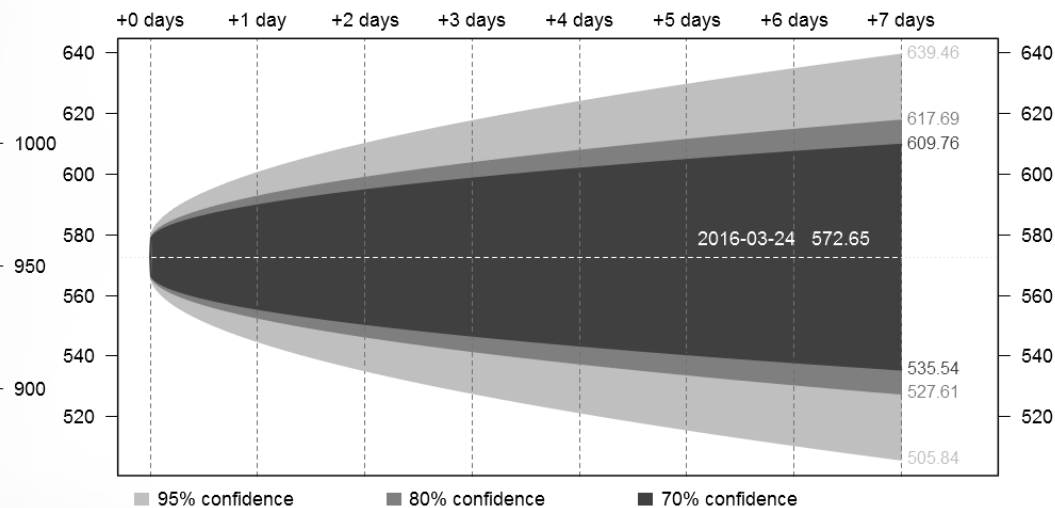
Silver Potential Rates



Platinum Potential Rates



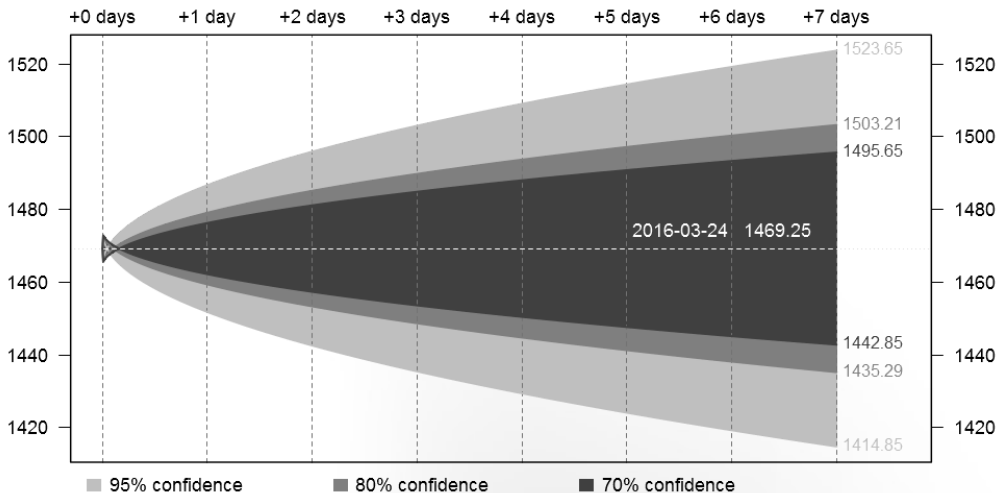
Palladium Potential Rates



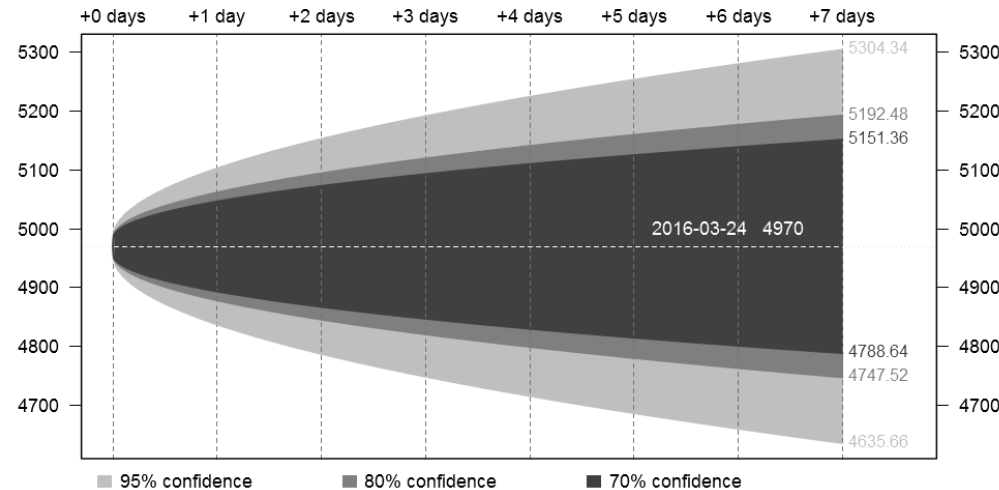
# Industrial Metals Confidence Intervals for the Next 7 Days

Monday, March 28, 2016

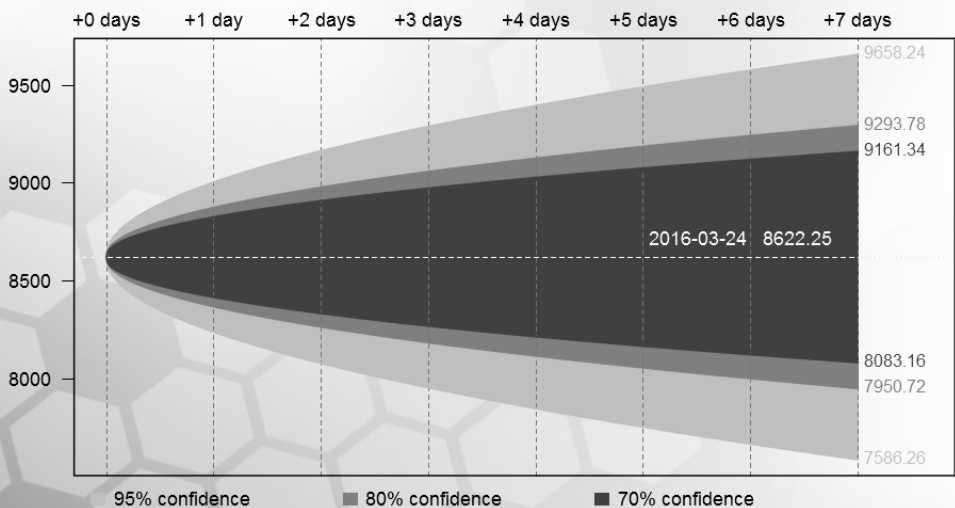
Aluminum Potential Rates



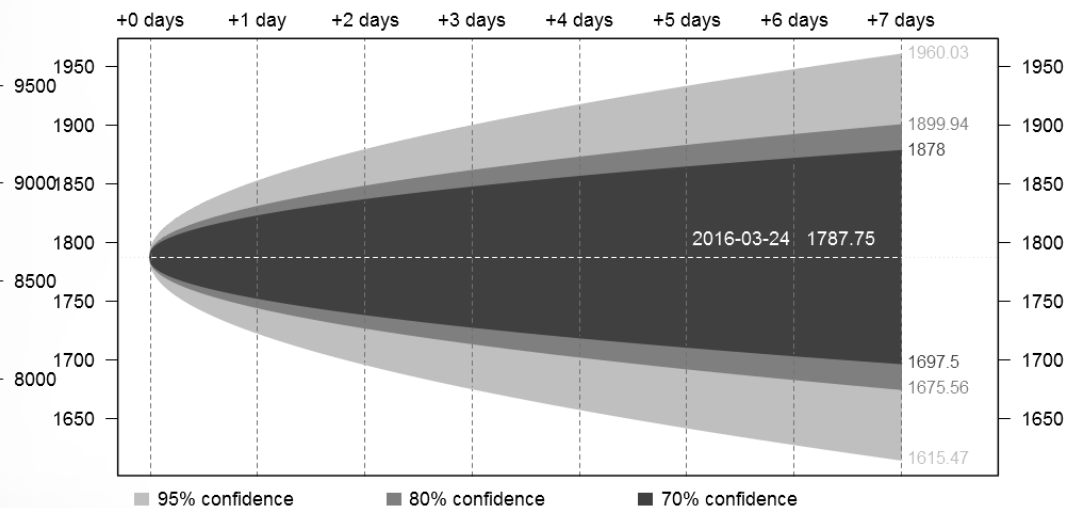
Copper Potential Rates



Nickel Potential Rates



Zinc Potential Rates

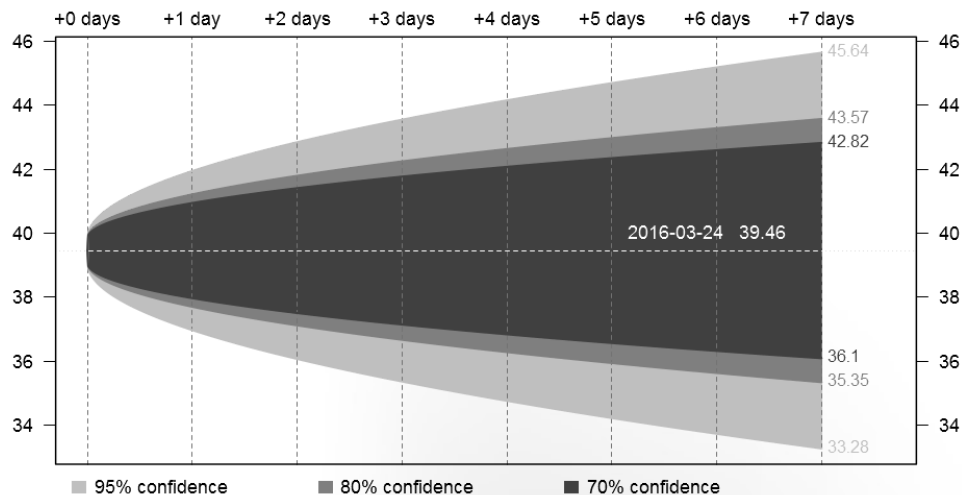




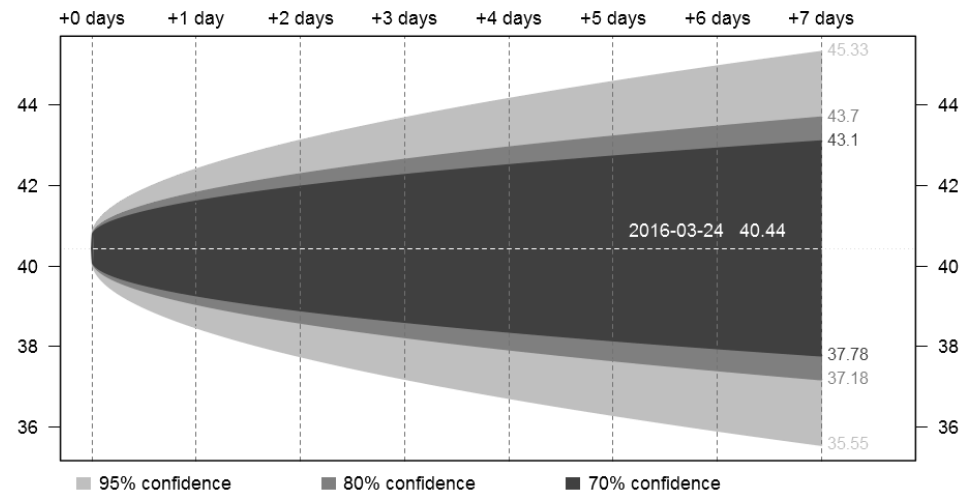
# Energy Confidence Intervals for the Next 7 Days

Monday, March 28, 2016

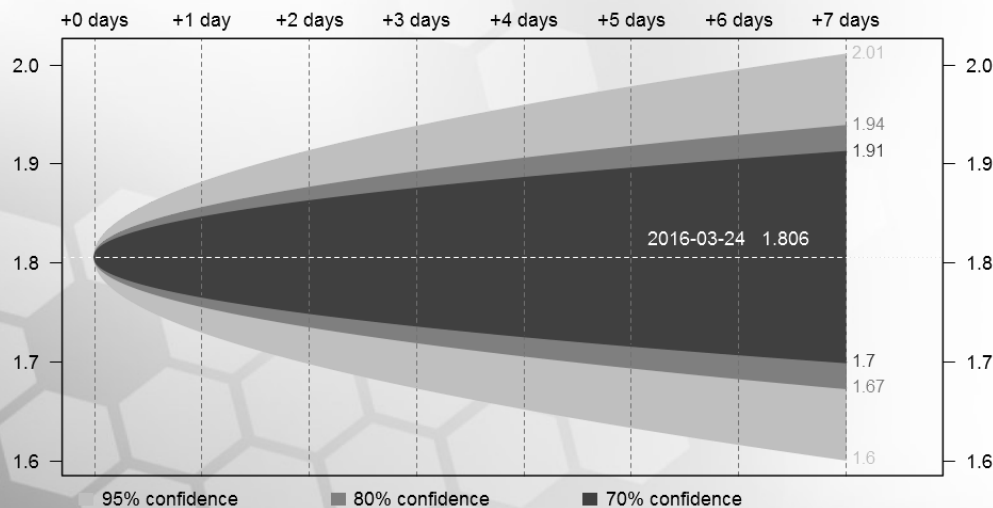
Crude oil Potential Rates



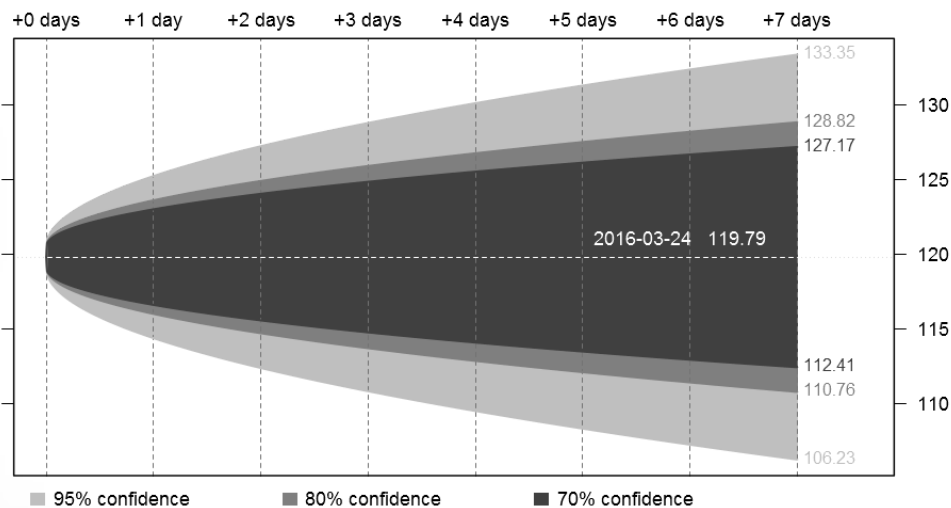
Brent oil Potential Rates



Natural gas Potential Rates



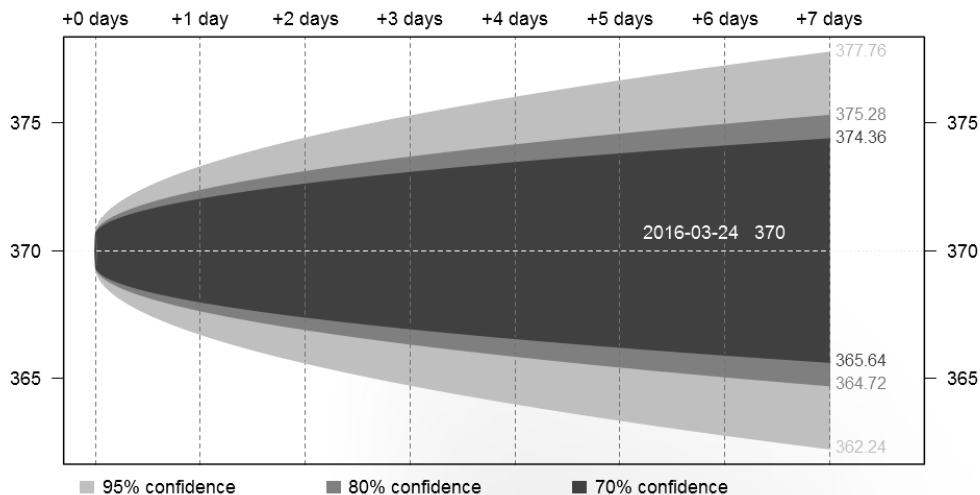
Heating oil Potential Rates



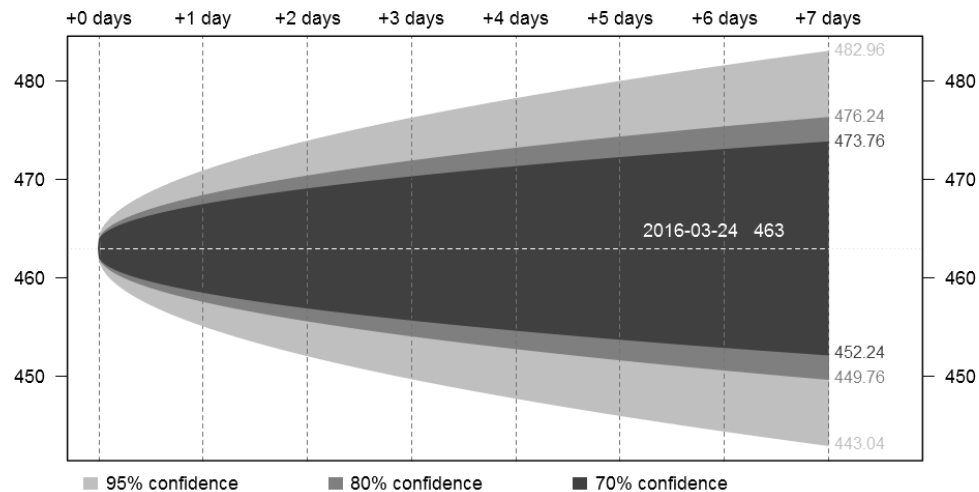
# Agriculture Confidence Intervals for the Next 7 Days

Monday, March 28, 2016

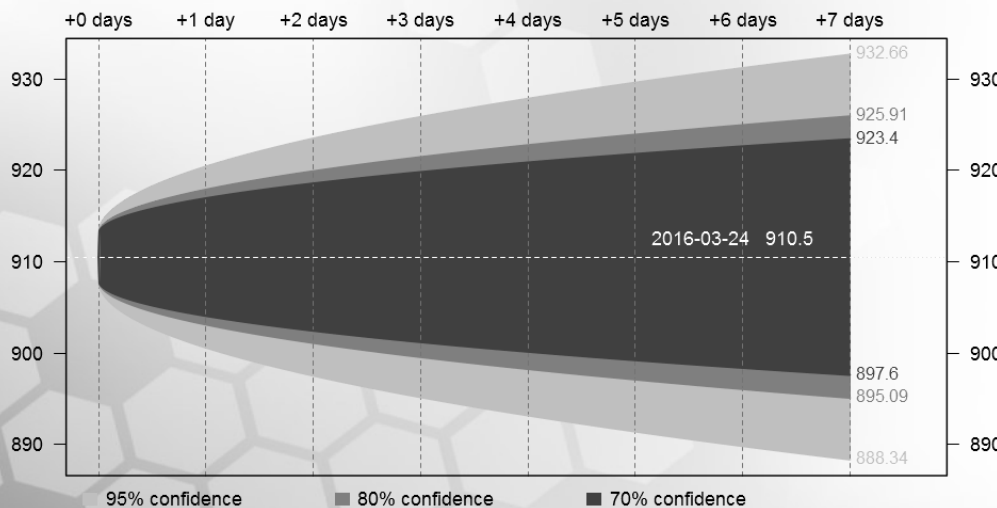
Corn Potential Rates



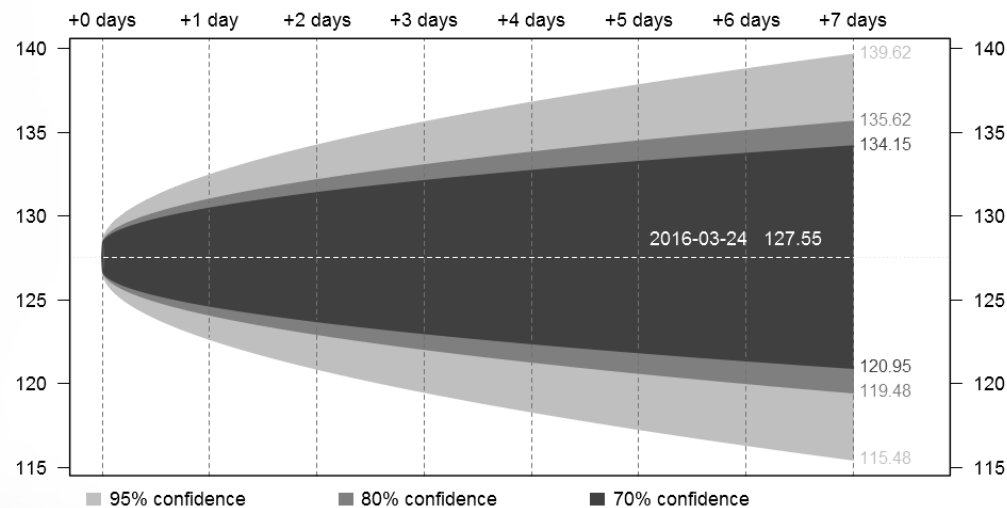
Wheat Potential Rates



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



**Newest releases and archive:**

- Fundamental Analysis
- Technical Analysis
- Press Review
- Market Research
- Expert Commentary
- Dukascopy Sentiment Index
- Trade Pattern Ideas
- Global Stock Market Review
- Commodity Overview
- Economic Research
- Quarterly Report
- Aggregate Technical Indicator

**Additional information:**

- Dukascopy Group Home Page
- Market News & Research
- FXSpider
- Live Webinars
- Dukascopy TV
- Daily Pivot Point Levels
- Economic Calendar
- Daily Highs/Lows
- SWFX Sentiment Index
- Movers & Shakers FX
- Forex Calculators
- Currency Converter
- Currency Index
- CoT Charts

**Social networks:**



**Disclaimer**

Everything in this article, including opinions and figures, is provided for informational purposes only and may not be interpreted as financial advice or solicitation of products. Dukascopy group assume no responsibility for the completeness or the accuracy of any data contained in this article. Financial figures indicated in this article have not been verified by the Dukascopy group. Views, opinions and analyses are those of the author of the article, and are not endorsed by the Dukascopy group.

Dukascopy group waive any and all warranties, express or implied, regarding, but without limitation to, warranties of the merchantability or the fitness for a particular purpose, with respect to all information in this article. Dukascopy group shall under no circumstances be responsible for any direct, indirect, consequential, contingent or any other damages sustained in connection with the use of this article.