Summary

The global economic environment, in the face of a US tightening cycle, is continuing to improve in both the developed and emerging world, while the earnings season is highlighting that corporates continue to beat expectations and grow earnings. Consequently corporate confidence and economic growth continue to grow which is helping turn around the pessimism that has plagued commodities since February.

Two key issues stand in the way of significant further upside in commodities: how aggressive will the US Federal Reserve be? And to what extent will geopolitical issues upset recent improvements in global growth? These issues have led to gyrations in gold, conflicted by the threat of rising interest rates while seen as a safe haven when geopolitical issues escalate. We expect the FED to remain cautious in policy setting, particularly when inflation looks to have cooled off in the shorter-term. We continue to see growing demand for commodities at a time when there is a continued lack of investment, particularly in the mining industry, we therefore see industrial metals as the most attractive commodities subsector.

- **Polarised agricultural sector: softs rebound, while grains slump.** Concerns over a crop destruction are lifting coffee prices, while cocoa prices appear to be forming a base, rebounding from extremely depressed levels. In contrast, rising global grain inventories, resulting from rising production are driving the prices lower.

- **Price momentum to continue with a potential catch-up for tin.** While industrial metals rose 7% on average, lead, zinc and tin were the sector laggards. We see a potential for tin prices to catch up as the International Tin Research Institute forecasts a market deficit for the next five years combined with an increase in Chinese imports due to the tax relief provided to the Yunnan Tin Company, the largest tin-producing company in the country.

- **Oil continues to trade in a range.** After touching US$53/bbl, oil is once again declining as OPEC appears unable to get its act together. Despite all the tough talk, even its largest member – Saudi Arabia – is no longer complying with the production cap. US$40/bbl is likely to remain a floor as US production will be scaled down if prices fall below this level.

- **The escalation of tension between the US and North Korea boosted safe haven assets.** All precious metals posted strong positive returns for the month.

Commodity Monthly Matrix

<table>
<thead>
<tr>
<th>Commodity</th>
<th>Current Price</th>
<th>Returns (1 Mth)</th>
<th>Price vs. 200-day MA</th>
<th>Inventories¹</th>
<th>Positioning²</th>
<th>Roll Yield²</th>
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</thead>
<tbody>
<tr>
<td>WT Oil</td>
<td>49</td>
<td>8.4%</td>
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<td>31%</td>
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<tr>
<td>Brent Oil</td>
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<td>-1.0%</td>
<td>106%</td>
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</tr>
<tr>
<td>Natural Gas</td>
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<td>-114%</td>
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<tr>
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<td>1.6</td>
<td>7.4%</td>
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</tr>
<tr>
<td>Carbon</td>
<td>5.4</td>
<td>1.1%</td>
<td>4.7%</td>
<td>32%</td>
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<td>0.9%</td>
</tr>
<tr>
<td>Corn</td>
<td>4.4</td>
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<tr>
<td>Soybeans</td>
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<tr>
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<td>21%</td>
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<td>0.7%</td>
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<tr>
<td>Cotton</td>
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<td>11.1%</td>
<td>-6.7%</td>
<td>3.4%</td>
<td>3.1%</td>
<td>0.0%</td>
</tr>
<tr>
<td>Coffee</td>
<td>1.4</td>
<td>12.7%</td>
<td>1.0%</td>
<td>-3.3%</td>
<td>-11%</td>
<td>0.2%</td>
</tr>
<tr>
<td>Soybean Oil</td>
<td>0.3</td>
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<td>-1.1%</td>
<td>42%</td>
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<tr>
<td>Cocoa</td>
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<tr>
<td>Copper (COMEX)</td>
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<tr>
<td>Zine</td>
<td>2,883</td>
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<tr>
<td>Nickel</td>
<td>10,045</td>
<td>10.8%</td>
<td>5.9%</td>
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<td>33%</td>
<td>-0.1%</td>
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<tr>
<td>Lead</td>
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<td>-22.6%</td>
<td>3%</td>
<td>-0.3%</td>
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<tr>
<td>Tin</td>
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<td>0.8%</td>
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<tr>
<td>Gold</td>
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<td>-22%</td>
<td>0.0%</td>
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<tr>
<td>Silver</td>
<td>17</td>
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<td>-12%</td>
<td>-17%</td>
<td>0.0%</td>
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<tr>
<td>Platinum</td>
<td>990</td>
<td>10.5%</td>
<td>4.1%</td>
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<tr>
<td>Palladium</td>
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<tr>
<td>Live Cattle</td>
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<tr>
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<tr>
<td>Feeder Cattle</td>
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<td>2.3%</td>
<td>-4%</td>
<td>-0.3%</td>
<td>0.0%</td>
</tr>
</tbody>
</table>

All prices are futures prices as of Aug 11, 2017. Commodities market overview 1 Summary tables 4 CFTC net positioning 5 Inventories 9 Moving average and volumes 13 Futures curves 17 Recent publications 21

Contents

- Commodity market overview
- Summary tables
- CFTC net positioning
- Inventories
- Moving average and volumes
- Futures curves
- Recent publications

Performance

<table>
<thead>
<tr>
<th>Commodity</th>
<th>-1 Mth</th>
<th>-6 Mth</th>
<th>-12 Mth</th>
</tr>
</thead>
<tbody>
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<td>0.9%</td>
<td>-5.2%</td>
<td>1.9%</td>
</tr>
<tr>
<td>Energy</td>
<td>5.4%</td>
<td>-10.7%</td>
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<tr>
<td>Industrial Metals</td>
<td>8.5%</td>
<td>3.5%</td>
<td>22.6%</td>
</tr>
<tr>
<td>Precious Metals</td>
<td>6.6%</td>
<td>1.3%</td>
<td>8.4%</td>
</tr>
<tr>
<td>Agriculture</td>
<td>-9.8%</td>
<td>-12.8%</td>
<td>-8.6%</td>
</tr>
<tr>
<td>MSCI World</td>
<td>1.5%</td>
<td>8.7%</td>
<td>14.2%</td>
</tr>
<tr>
<td>US Aggregate Bond</td>
<td>1.0%</td>
<td>2.7%</td>
<td>0.3%</td>
</tr>
</tbody>
</table>


The score matrix is designed to highlight significant changes in key variables but should not be viewed as predictor of performance. Source: ETF Securities, Bloomberg.

James Butterfill
Head of Research & Investment Strategy

Martin Arnold
FX & Macro Strategist

Edith Southammakosane
Multi-Asset Strategist

Nitesh Shah
Commodities Strategist

Morgane Delledonne
Fixed Income Strategist

Notes:

- "Information not available. Green = returns positive, inventories falling, positioning rising, roll yield positive. Red = the opposite. Black = neutral. Detailed explanation of the matrix calculations can be found at the end of this report."
- All prices are futures prices as of Aug 11, 2017. Broad sector returns based on Bloomberg Commodity Index family. % change in inventory over the past 3 months except for sugar and coffee which are based on past 6 months as data is updated bi-annually by USDA.
- CFTC futures and LME COTR net positioning as at Aug 08, 2017, and Aug 04, 2017 respectively, % change from previous month.
- Source: ETF Securities, Bloomberg.
Agriculture

- Concerns over a crop destruction from borer beetles for Brazilian coffee plants is helping boost prices, amidst a drop in exports from the world's largest coffee producer. According to CEACFE, the Brazilian Coffee Exporters Council, exports have dropped over 8% in the year to July 2017 compared with the prior year.

- Wheat was the worst performing agricultural commodity, dropping 18% to now be more in line with its recent historical price average. Despite US wheat supplies falling last month, global supply increased 'significantly' according to the US Department of Agriculture and put an end to the steep surge in prices in recent months. Indeed, ending stocks have been increased for the 2017/18 crop season by the USDA, likely limiting any upside.

- The price of cocoa remains depressed, and although it has rebounded off the lows for 2017, remains beset by good growing conditions in West Africa, particularly because the seasonal Harmattan winds that cause significant damage in 2016 are mild in contrast this year. As a result, the International Cocoa Organization estimates a rise in global production of nearly 20%.

Industrial Metals

- Industrial metals rose 7% on average over the past month, led by nickel with 16.8% and followed by copper and aluminium. Tin, zinc and lead have been lagging behind, posting just 2% return on average.

- Robust Chinese economic data continues to lend support to metal prices. The manufacturing PMI for July remains strong at 51.4 compared to 51.7 in June. The Chinese economy also grew at 6.8% year-over-year to Q2, stable compared to Q1. The US dollar has fallen 8.8% since the beginning of this year, providing further support to commodity prices.

- The International Tin Research Institute estimates that the global tin market will remain in deficit for the next five years with a cumulative shortfall of 22,000 tonnes to 2019. However, in contrast to LME inventories, stockpiles of tin at the Shanghai exchange have risen sharply since May, potentially reflecting the new permit allowing Yunnan Tin Company (YTC), the largest tin-producing company in China, to process imported tin ore and export the refined tin duty-free. Although the price of tin has been lagging behind other industrial metals, we see a potential catch-up of tin prices in the near term.

Energy

- After hitting US$53/bbl, Brent is falling once again, capping returns from last month to 9.6%. OPEC reported one of the worst levels of compliance with production cuts since its deal started in January 2017. According to secondary sources, even Saudi Arabia is producing more than its production cap. Compliance levels for Iraq and Ecuador are as low as 44%-46%, while the group as a whole is only 75% complaint. Non-OPEC compliance is even worse at only 67%. Despite all the tough talk ahead of the Joint OPEC-Non-OPEC Technical Committee (JTC) meeting in Abu Dhabi, no new mechanisms to get countries to comply were announced. Oil prices fell in disappointment. While the IEA appears optimistic about a recovery in demand, we are nearing the end of the peak summer driving period and so should expect oil demand to face headwinds in September and October.

- While US stocks of oil are declining, production is only paring back in Alaska, while the lower 48 States report increases in output. Slowing exports of heavy crudes from Saudi Arabia and Venezuela to the US should continue to help inventories decline, while the US will continue to look for refiners to process its lighter crudes (most US refiners are setup to process heavy crudes).

- Natural gas has had a volatile month, with prices initially declining on forecasts for cooler weather in August. However, as inventories continue to moderate, prices of natural gas rose, narrowing the loss for the month to only 2.1%.

Precious Metals

- The price of gold rose 6% as geopolitical tensions have escalated in the past month. President Trump's recent comments about meeting the North Korean nuclear threats with "fire and fury" resulted in a risk-off sentiment among investors that benefitted gold. In addition, the gold price gained from slightly more dovish comments from Fed members after inflation data fell short expectations in July. As such, rate hike expectations according to the Fed Fund Futures have dropped to their lowest level since November 2016. We believe that in the absence of shocks, gold will trade around US$1260/oz by year-end before paring gains by mid-2018 as the global economy continues to recover.

- As economic growth continues, other precious metals prices such as platinum and silver outperformed gold, rising by close to 10.5% and 8.7% on the month, respectively.
Technical Overview

Positioning

- Net speculative positions in cocoa remain the most depressed in the agricultural sector, hovering around 2 std deviations below the 5-year average. Wheat positioning turned negative for the first time in six weeks, reflecting the outlook for expanding global supply. In contrast, coffee positioning turned positive for the first time in 15 weeks, highlighting the potential supply risks.
- Net speculative positions in industrial metals have increased except for aluminium and zinc. Investors have been very bullish on copper and lead with net positions close to or above their upper band.
- Positioning in heating oil futures have gone from being net short at the beginning of July to net long in August. Bullish sentiment around oil and its derivatives become stretched once again. Shorts in natural gas futures continued to build as a temperature forecasts for August in the US were revised downward by NOAA. Lower air-conditioning demand will reduce power needs. In the US, about a third of electricity is produced using natural gas.
- Speculative positioning in palladium is becoming stretched, with net long positions near multi-year highs at two standard deviations above the 5-year average. Meanwhile, silver remains more than two standard deviations below average despite the price rebound.

Inventories

- Global grain inventories have been rising in recent months, contributing to a more bearish outlook for the subsector. According to the USDA, wheat stocks are rising both in the US and abroad. However, while foreign corn stocks are forecast to rise, US stocks are anticipated to decline on the back of lower production. In contrast, stockpiles for soft agricultural commodities have been declining.
- Except for SHFE tin and COMEX copper, global industrial metals inventories at the exchange warehouses have continued to decline over the past three months. LME tin is at historical low while inventories at the Shanghai exchange have sharply increased, potentially due to the permission given to Chinese YTC to buy tin concentrate without being taxed.
- Natural gas inventories continued to rise in line with seasonal trends. However, inventories stand lower than they were last year at only 3% above the 5-year average. Slowing production is helping inventory growth moderate while a growing liquefied natural gas market is helping to draw on stock.

Curve Dynamics

- The majority of agricultural commodities have experienced a curve steepening at the front end – exacerbating the negative roll yield for investors. Wheat has been the most stark, with contango nearly doubling - from -3.2% last month to currently experiencing a negative roll yield of 5.3%. Meanwhile, only cotton and cocoa futures curves are in backwardation with cocoa moving from contango last month to backwardation currently after recent price gains.
- Tin futures curve is entirely in backwardation, usually an indication of ongoing shortage in the tin market. The International Tin Research Institute forecasts a market deficit for the next five years, suggesting that the curve may remain backwardated for longer.
- With the US driving season is coming to an end in September, the gasoline futures curve is currently providing a positive front-month roll yield of 6.3%.

Technicals

- The strong run in coffee has pushed its price strongly above both the 50 and 200 dmas. The only other agricultural commodity above the 200 dma is wheat, however its price is in steep decline in contrast. Cocoa prices appear to be forming a base, and this could be confirmed in coming weeks, if the 50 dma can cross above the 200 dma, indicating the beginning of a bullish trend.
- Industrial metals rallied 7% on average on the past month securing their positions above their respective 200 dmas. With the exception of tin, prices have also been rising above their 50 dmas, suggesting that the current momentum is likely to continue in the near term.
- Natural gas is currently trading 4.2% below its 200 dma, but is recovering losses from earlier in the month. While natural gas prices slipped below its 50 dma at the beginning of August, it is now trading above.
- Gold, platinum and palladium continue to trade above both 50 and 200 dmas. Meanwhile, silver has rebounded above its 50 dma, reflecting bearish sentiment towards the metal abating, but price remains below its 200 dma.
### Summary Tables

#### PRICES\(^1\)

<table>
<thead>
<tr>
<th>Energy</th>
<th>Current</th>
<th>1 Month</th>
<th>3 Month</th>
<th>6 Month</th>
<th>1 Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>WTI Oil</td>
<td>49</td>
<td>8.4%</td>
<td>2.1%</td>
<td>-9.4%</td>
<td>12.3%</td>
</tr>
<tr>
<td>Brent Oil</td>
<td>52</td>
<td>9.6%</td>
<td>2.6%</td>
<td>-8.1%</td>
<td>13.2%</td>
</tr>
<tr>
<td>Natural Gas</td>
<td>3.0</td>
<td>-2.1%</td>
<td>-11.6%</td>
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<td>16.6%</td>
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<tr>
<td>Heating Oil</td>
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<td>10.7%</td>
<td>9.7%</td>
<td>-1.6%</td>
<td>18.0%</td>
</tr>
<tr>
<td>Carbon</td>
<td>5.4</td>
<td>1.1%</td>
<td>23.7%</td>
<td>5.1%</td>
<td>10.5%</td>
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</table>

<table>
<thead>
<tr>
<th>Agriculture</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Wheat</td>
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<td>-18.0%</td>
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<td>-2.2%</td>
<td>5.3%</td>
</tr>
<tr>
<td>Corn</td>
<td>3.6</td>
<td>-8.0%</td>
<td>0.1%</td>
<td>-3.7%</td>
<td>12.4%</td>
</tr>
<tr>
<td>Soybeans</td>
<td>9.4</td>
<td>-8.8%</td>
<td>-2.1%</td>
<td>-11.7%</td>
<td>-8.5%</td>
</tr>
<tr>
<td>Sugar</td>
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<tr>
<td>Coffee</td>
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#### Industrial Metals

<table>
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<th>Metal</th>
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<th>3 Month</th>
<th>6 Month</th>
<th>1 Year</th>
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<tr>
<td>Aluminum</td>
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<td>Copper</td>
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<td>9.3%</td>
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<tr>
<td>Copper (LME)</td>
<td>6,384</td>
<td>9.1%</td>
<td>15.6%</td>
<td>4.9%</td>
<td>31.9%</td>
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<tr>
<td>Zinc</td>
<td>2,883</td>
<td>2.2%</td>
<td>11.8%</td>
<td>-1.7%</td>
<td>27.0%</td>
</tr>
<tr>
<td>Nickel</td>
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<td>16.8%</td>
<td>14.5%</td>
<td>0.0%</td>
<td>-0.7%</td>
</tr>
<tr>
<td>Lead</td>
<td>2,306</td>
<td>0.8%</td>
<td>6.2%</td>
<td>-4.7%</td>
<td>26.4%</td>
</tr>
<tr>
<td>Tin</td>
<td>20,420</td>
<td>2.8%</td>
<td>2.5%</td>
<td>4.9%</td>
<td>11.4%</td>
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#### Precious Metals

<table>
<thead>
<tr>
<th>Metal</th>
<th>Current</th>
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<th>3 Month</th>
<th>6 Month</th>
<th>1 Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gold</td>
<td>1,288</td>
<td>6.0%</td>
<td>5.2%</td>
<td>4.3%</td>
<td>-4.1%</td>
</tr>
<tr>
<td>Silver</td>
<td>17.1</td>
<td>8.7%</td>
<td>5.3%</td>
<td>-4.8%</td>
<td>-14.7%</td>
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<tr>
<td>Platinum</td>
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<td>10.5%</td>
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<td>-14.4%</td>
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<tr>
<td>Palladium</td>
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<td>12.0%</td>
<td>14.3%</td>
<td>29.3%</td>
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</table>

#### Livestock

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<tr>
<th>Category</th>
<th>Current</th>
<th>1 Month</th>
<th>3 Month</th>
<th>6 Month</th>
<th>1 Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Live Cattle</td>
<td>1.1</td>
<td>-4.5%</td>
<td>-11.5%</td>
<td>-5.7%</td>
<td>-5.4%</td>
</tr>
<tr>
<td>Lean Hogs</td>
<td>0.8</td>
<td>-8.1%</td>
<td>18.4%</td>
<td>13.5%</td>
<td>26.0%</td>
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<tr>
<td>Feeder Cattle</td>
<td>1.4</td>
<td>-3.7%</td>
<td>-0.4%</td>
<td>16.1%</td>
<td>-4.7%</td>
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#### CFTC NET POSITIONING\(^1\)

<table>
<thead>
<tr>
<th>Energy</th>
<th>Current</th>
<th>5 Yr Average</th>
<th>1 Month</th>
<th>6 Month</th>
<th>1 Year</th>
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<tbody>
<tr>
<td>WTI Oil</td>
<td>532,293</td>
<td>347,032</td>
<td>405,935</td>
<td>527,866</td>
<td>278,615</td>
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<tr>
<td>Brent Oil**</td>
<td>182,876</td>
<td>105,765</td>
<td>91,561</td>
<td>290,111</td>
<td>165,338</td>
</tr>
<tr>
<td>Natural Gas</td>
<td>-74,368</td>
<td>-126,705</td>
<td>-34,097</td>
<td>-43,510</td>
<td>-116,691</td>
</tr>
<tr>
<td>Gasoline</td>
<td>66,655</td>
<td>61,299</td>
<td>49,786</td>
<td>70,999</td>
<td>48,834</td>
</tr>
<tr>
<td>Heating Oil</td>
<td>25,543</td>
<td>3,076</td>
<td>7,844</td>
<td>45,209</td>
<td>11,682</td>
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### Energy

<table>
<thead>
<tr>
<th>Energy</th>
<th>Current</th>
<th>5 Yr Average</th>
<th>1 Month</th>
<th>6 Month</th>
<th>1 Year</th>
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</thead>
<tbody>
<tr>
<td>Oil - US</td>
<td>475,437</td>
<td>-4%</td>
<td>-9%</td>
<td>-8%</td>
<td>-9%</td>
</tr>
<tr>
<td>Oil - OECD Europe**</td>
<td>353</td>
<td>-100%</td>
<td>-2%</td>
<td>-4%</td>
<td>-4%</td>
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#### INVENTORY LEVELS\(^4\)

<table>
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<th>Metal</th>
<th>Current</th>
<th>5 Yr Average</th>
<th>1 Month</th>
<th>3 Month</th>
<th>6 Month</th>
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</thead>
<tbody>
<tr>
<td>Oil - US</td>
<td>256,887</td>
<td>359%</td>
<td>1.6%</td>
<td>2.5%</td>
<td>6%</td>
</tr>
<tr>
<td>Coal</td>
<td>256,887</td>
<td>359%</td>
<td>1.6%</td>
<td>2.5%</td>
<td>6%</td>
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</tbody>
</table>

#### INVENTORIES\(^4\)

<table>
<thead>
<tr>
<th>Metal</th>
<th>Current</th>
<th>5 Yr Average</th>
<th>1 Month</th>
<th>3 Month</th>
<th>6 Month</th>
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<tbody>
<tr>
<td>Oil - US</td>
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<td>359%</td>
<td>1.6%</td>
<td>2.5%</td>
<td>6%</td>
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</tbody>
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### Agriculture

<table>
<thead>
<tr>
<th>Category</th>
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<th>1 Month</th>
<th>3 Month</th>
<th>6 Month</th>
</tr>
</thead>
<tbody>
<tr>
<td>Live Cattle</td>
<td>124,876</td>
<td>76,782</td>
<td>44,083</td>
<td>52,756</td>
<td>51,558</td>
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<tr>
<td>Lean Hogs</td>
<td>75,838</td>
<td>53,191</td>
<td>86,724</td>
<td>46,042</td>
<td>49,168</td>
</tr>
<tr>
<td>Feeder Cattle</td>
<td>18,359</td>
<td>6,681</td>
<td>19,172</td>
<td>12,897</td>
<td>6,943</td>
</tr>
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</table>

\(^1\)Total positions from month futures and options in second - month on May 15, July 13, and Oct 11. \(^2\)Jun 17, Aug 15. \(^3\)USd/lb. \(^4\)USd/gal. 
\(^5\)First 6 months of net positions from January 2011 as positions were not reported by CFTC before then and inventory data (OECD) reported with 2 month lag with current = May 2017. 
\(^6\)2Roll return non-annualised from front month futures into second " month on 11 May 17 (3 Month), 12 Jul 17 (1 Month), 04 Aug 17 (1 Week), 11 Aug 17.
CFTC Speculative Net Long Futures Positions

Agriculture

Cocoa

Source: Bloomberg, ETF Securities

Coffee

Source: Bloomberg, ETF Securities

Corn

Source: Bloomberg, ETF Securities

Soybean Oil

Source: Bloomberg, ETF Securities

Soybeans

Source: Bloomberg, ETF Securities

Sugar

Source: Bloomberg, ETF Securities

Wheat

Source: Bloomberg, ETF Securities

Note: standard deviation based on 5 year average CFTC non-commercial net positioning
All commodity futures price data is denominated in USD unless otherwise indicated.
Energy

Brent Oil

Source: Bloomberg, ETF Securities

Note: standard deviation based on 5 year average CFTC non-commercial net positioning

All commodity futures price data is denominated in USD unless otherwise indicated. *Brent average of net positions from January 2011 as positions were not reported by CFTC before then.
Note: standard deviation based on 5 year average CFTC non-commercial net positioning. LME non-commercial net positions averaged from 28th July 14 and respective graphs represent daily data.
Precious Metals

Gold

Silver

Livestock

Lean Hogs

Live Cattle

Feeder Cattle

Note: standard deviation based on 5 year average CFTC non-commercial net positioning. All commodity futures price data is denominated in USD unless otherwise indicated.
Inventories

Agriculture

Corn - Stock to Use
Annual data in %, from 1980 to 2017

Corn - Ending Stocks
Annual data in mln tons, from 1980 to 2017

Coffee - Stock to Use
Annual data in %, from 1980 to 2017

Coffee - Ending Stocks
Annual data in mln bags (60 kg), from 1980 to 2017

Cotton - Stock to Use
Annual data in %, from 1980 to 2017

Cotton - Ending Stocks
Annual data in mln 480 lb Bales, from 1980 to 2017

Soybeans - Stock to Use
Annual data in %, from 1980 to 2017

Soybeans - Ending Stocks
Annual data in mln, from 1980 to 2017

Note: Ending stocks, inventories and stock to use data from the USDA are annual with monthly update of 2017/2018 estimates
**Soybean Oil - Stock to Use**
Annual data in %, from 1980 to 2017

**Soybean Oil - Ending Stocks**
Annual data in mln Metric Tons, from 1980 to 2017

**Sugar - Stock to Use**
Annual data in %, from 1998 to 2017

**Sugar - Ending Stocks**
Annual data in mln Metric Tons, from 1980 to 2017

**Wheat - Stock to Use**
Annual data in %, from 1980 to 2017

**Wheat - Ending Stocks**
Annual data in mln tons, from 1980 to 2017

**Cocoa - Inventory**
Annual data in `000 metric tons, from 1981 to 2017

Note: Ending stocks, inventories and stock to use data from the USDA are annual with monthly update of 2017/2018 estimates.
Industrial Metals

Aluminum Inventory
Daily data, from 11 Aug 16 to 11 Aug 17

Copper Inventory
Daily data, from 11 Aug 16 to 11 Aug 17

Nickel Inventory
Daily data in '000 MT, from 11 Aug 16 to 11 Aug 17

Zinc Inventory
Daily data, from 11 Aug 16 to 11 Aug 17

Lead Inventory
Daily data, from 11 Aug 16 to 11 Aug 17

Tin Inventory
Daily data in '000 MT, from 11 Aug 16 to 11 Aug 17

Livestock

Lean Hogs Inventory
Annual data in mln Heads, from 1980 to 2017

Live Cattle Inventory
Annual data in mln Heads, from 1980 to 2017

Note: Ending stocks, inventories and stock to use data from the USDA are annual with monthly update of 2017/2018 estimates
Energy

US Oil Inventory
Weekly data in mln barrels, from Aug 12 to Aug 17

OECD Europe Oil Industry Inventory
Monthly data in mln barrels, from Aug 12 to May 17

Heating Oil Inventory
Weekly data in mln barrels, from Aug 12 to Aug 17

Natural Gas Inventory
Weekly data in billion cubic feet, from Aug 12 to Aug 17

Gasoline Inventory
Weekly data in mln barrels, from Aug 12 to Aug 17

Note: "Oil - OECD Inventory" represents OECD industry stocks and is reported with a 2 month lag.
Agriculture

Cocoa Front Month Futures Price
Daily data in USD/MT, from 11 Aug 16 to 11 Aug 17

Coffee Front Month Futures Price
Daily data in USD/lb., from 11 Aug 16 to 11 Aug 17

Corn Front Month Futures Price
Daily data in USD/bu., from 11 Aug 16 to 11 Aug 17

Cotton Front Month Futures Price
Daily data in USD/lb., from 11 Aug 16 to 11 Aug 17

Soybean Oil Front Month Futures Price
Daily data in USD/lb., from 11 Aug 16 to 11 Aug 17

Soybeans Front Month Futures Price
Daily data in USD/bu., from 11 Aug 16 to 11 Aug 17

Sugar Front Month Futures Price
Daily data in USD/lb., from 11 Aug 16 to 11 Aug 17

Wheat Front Month Futures Price
Daily data in USD/bu., from 11 Aug 16 to 11 Aug 17

Source: Bloomberg, ETF Securities
**Energy**

**Brent Oil Front Month Futures Price**
Daily data in USD/bbl., from 11 Aug 16 to 11 Aug 17

**WTI Oil Front Month Futures Price**
Daily data in USD/bbl., from 11 Aug 16 to 11 Aug 17

**Natural Gas Front Month Futures Price**
Daily data in USD/MMBtu, from 11 Aug 16 to 11 Aug 17

**Gasoline Front Month Futures Price**
Daily data in USd/gal., from 11 Aug 16 to 11 Aug 17

**Heating Oil Front Month Futures Price**
Daily data in USd/gal., from 11 Aug 16 to 11 Aug 17

Note: all commodity futures trading volume and price data is denominated in USD unless otherwise indicated.
Industrial Metals

Aluminum Front Month Futures Price
Daily data in USD/MT, from 11 Aug 16 to 11 Aug 17

Lead Front Month Futures Price
Daily data in USD/MT, from 11 Aug 16 to 11 Aug 17

Copper (COMEX) Front Month Futures Price
Daily data in USd/lb., from 11 Aug 16 to 11 Aug 17

Copper (LME) Front Month Futures Price
Daily data in USD/MT, from 11 Aug 16 to 11 Aug 17

Nickel Front Month Futures Price
Daily data in USD/MT, from 11 Aug 16 to 11 Aug 17

Tin Front Month Futures Price
Daily data in USD/MT, from 11 Aug 16 to 11 Aug 17

Zinc Front Month Futures Price
Daily data in USD/MT, from 11 Aug 16 to 11 Aug 17

Note: all commodity futures trading volume and price data is denominated in USD unless otherwise indicated.
Precious Metals
Gold Front Month Futures Price
Daily data in USD/t oz., from 11 Aug 16 to 11 Aug 17

Silver Front Month Futures Price
Daily data in USD/t oz., from 11 Aug 16 to 11 Aug 17

Platinum Front Month Futures Price
Daily data in USD/t oz., from 11 Aug 16 to 11 Aug 17

Palladium Front Month Futures Price
Daily data in USD/t oz., from 11 Aug 16 to 11 Aug 17

Livestock
Lean Hogs Front Month Futures Price
Daily data in USD/lb., from 11 Aug 16 to 11 Aug 17

Live Cattle Front Month Futures Price
Daily data in USD/lb., from 11 Aug 16 to 11 Aug 17

Feeder Cattle Front Month Futures Price
Daily data in USD/lb., from 11 Aug 16 to 11 Aug 17

Note: All commodity futures trading volume and price data is denominated in USD unless otherwise indicated.
Futures Curves

Agriculture

Cocoa Futures
USD/MT
Source: Bloomberg, ETF Securities

Coffee Futures
USd/lb.
Source: Bloomberg, ETF Securities

Corn Futures
USd/bu.
Source: Bloomberg, ETF Securities

Cotton Futures
USd/lb.
Source: Bloomberg, ETF Securities

Soybean Oil Futures
USd/lb.
Source: Bloomberg, ETF Securities

Soybeans Futures
USd/bu.
Source: Bloomberg, ETF Securities

Sugar Futures
USd/lb.
Source: Bloomberg, ETF Securities

Wheat Futures
USd/bu.
Source: Bloomberg, ETF Securities

Note: all commodity futures price data is denominated in USD unless otherwise indicated.
Energy

**Brent Oil Futures**

USD/bbl.

![Brent Oil Futures Chart]

**WTI Oil Futures**

USD/bbl.

![WTI Oil Futures Chart]

**Gasoline Futures**

USD/gal.

![Gasoline Futures Chart]

**Natural Gas Futures**

USD/MMBtu

![Natural Gas Futures Chart]

**Heating Oil Futures**

USD/gal.

![Heating Oil Futures Chart]

**Carbon Futures**

EUR/MT

![Carbon Futures Chart]

Note: all commodity futures price data is denominated in USD unless otherwise indicated.
Industrial Metals

Aluminum Futures

USD/MT

Lead Futures

USD/MT

Copper (COMEX) Futures

USD/lb.

Copper (LME) Futures

USD/MT

Nickel Futures

USD/MT

Tin Futures

USD/MT

Zinc Futures

USD/MT

Note: all commodity futures price data is denominated in USD unless otherwise indicated.
Precious Metals

Gold Futures

Silver Futures

Platinum Futures

Palladium Futures

Livestock

Lean Hogs Futures

Live Cattle Futures

Feeder Cattle Futures

Note: all commodity futures price data is denominated in USD unless otherwise indicated.
Commodity Monthly Matrix Explained

Score based on unweighted sum of four fundamental/technical measures detailed below with each measure awarded a possible score of -4, 0, or 1 depending on whether variable is viewed as fundamentally negative, neutral or positive. Score ranging from -4 to +4. For commodities where data is not available or not relevant, scores are calculated on remaining variables and adjusted to the -4 to +4 scale. The score matrix is designed to highlight significant changes in key variables but should not be viewed as predictor of performance.

The four fundamental/technical measures are as follow:
- price vs. 200 days moving average: 1 when price is above 200dma and return is positive, -1 when price is below 200dma and return is negative, 0 otherwise
- % change in net positioning over the past month: 1 when % change is positive, -1 when % change is negative, 0 when no change
- % change in inventory level over the past 3 months: 1 when % is negative, -1 when % is positive, 0 when no change
- roll yield between the front and second month futures contracts: 1 when in backwardation, -1 when in contango, 0 when no change

ETF Securities - Recent Research Notes

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<tr>
<th>Date</th>
<th>Researcher</th>
<th>Title</th>
</tr>
</thead>
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<tr>
<td>07-Jun-17</td>
<td>James Butterfill</td>
<td>An update on our commodities contrarian model</td>
</tr>
<tr>
<td>13-Jun-17</td>
<td>Nitesh Shah</td>
<td>Energy Wars: OPEC fighting a losing battle</td>
</tr>
<tr>
<td>20-Jun-17</td>
<td>James Butterfill</td>
<td>Is VIX the next market blunder?</td>
</tr>
<tr>
<td>21-Jun-17</td>
<td>Nitesh Shah</td>
<td>Copper - strong fundamentals and improving sentiment</td>
</tr>
<tr>
<td>22-Jun-17</td>
<td>Nitesh Shah</td>
<td>Palladium: liquidity squeeze</td>
</tr>
<tr>
<td>27-Jun-17</td>
<td>Morgane Delledone</td>
<td>Treasury yields suggest the US economy is approaching a peak</td>
</tr>
<tr>
<td>04-Jul-17</td>
<td>Martin Arnold</td>
<td>Central bank policy key for FX direction in Hz</td>
</tr>
<tr>
<td>11-Jul-17</td>
<td>Edith Southamnakosane</td>
<td>Overweight industrial metals and underweight energy</td>
</tr>
<tr>
<td>18-Jul-17</td>
<td>Nitesh Shah</td>
<td>Above-target inflation will be supportive for gold and silver</td>
</tr>
<tr>
<td>25-Jul-17</td>
<td>James Butterfill</td>
<td>The UK to enter the economic doldrums</td>
</tr>
<tr>
<td>01-Aug-17</td>
<td>Morgane Delledone</td>
<td>Don’t sell your long duration bonds</td>
</tr>
<tr>
<td>08-Aug-17</td>
<td>Martin Arnold</td>
<td>Market underpricing UK rate hike risk</td>
</tr>
</tbody>
</table>

ETF Securities - Past Issues of Commodity Monthly Monitor

Mar - Apr 2017  Research Team  Dovish tightening to support precious metals
Apr-May 2017  Research Team  Defensives gain as “Trumpflation” fades
May-Jun 2017  Research Team  Under pressure from a speculative unwind
Jun-Jul 2017  Research Team  Fed normalisation to cap any potential upside.
Jul-Aug 2017  Research Team  China upside surprises to support industrial metals

The research notes are for qualified investors only.

Key Reports

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<thead>
<tr>
<th>Current Release</th>
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<tbody>
<tr>
<td>10-Aug-17</td>
<td>12-Sep-17</td>
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<tr>
<td>08-Aug-17</td>
<td>12-Sep-17</td>
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<td>12-Sep-17</td>
</tr>
<tr>
<td>11-Aug-17</td>
<td>13-Sep-17</td>
</tr>
</tbody>
</table>

USDA  World Agricultural Supply and Demand Estimates
EIA  Short-Term Energy Outlook
OPEC  OPEC Oil Market Report
IEA  IEA Oil Market Report

DISCLAIMER

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