

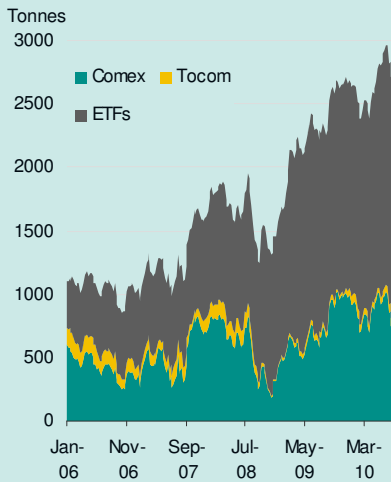
# Precious Metals Weekly

CFTC/Tocom data to week ending 3 August 2010

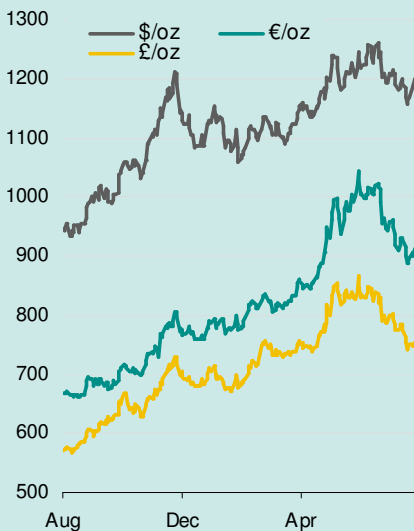
ETF data to week ending 6 August 2010

## Industrial metals favoured

All gold investment, Jan 2006-August 2010, tonnes



Gold price in various currencies, past year



## Gold investment (ounces)

Futures/options	Comex net long futures				Total	Tocom General Public
	Futures Large Specs	Small Specs	Options Large Specs	Small Specs		
27-Jul-10	18,890,100	3,865,400	1,382,900	164,700	24,303,100	2,148,789
03-Aug-10	18,551,500	3,651,400	1,604,100	102,800	23,909,800	2,292,500
Change	-338,600	-214,000	221,200	-61,900	-393,300	143,711

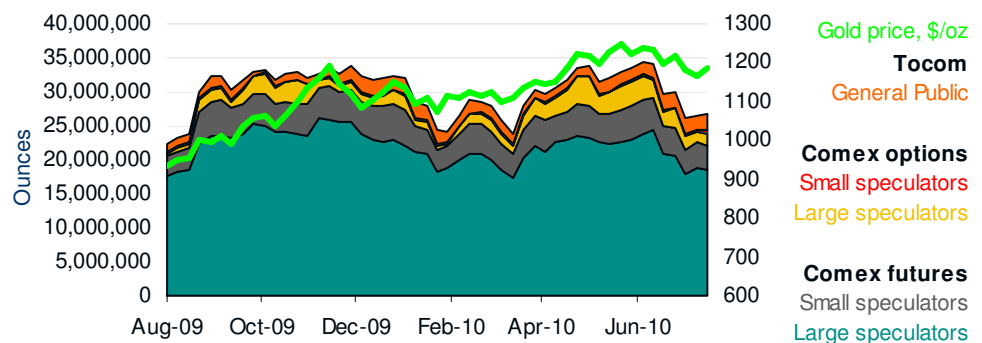
ETFs	SPDR	US (BGI, ETFs)	UK (GBS, ETFs)	Australia	S.Africa	Swiss (ZKB, JB)
30-Jul-10	41,226,552	3,424,875	8,139,617	475,767	1,579,570	8,265,575
06-Aug-10	41,241,568	3,424,264	8,099,869	475,731	1,579,460	8,253,575
Change	15,015	-610	-39,748	-36	-110	-12,000

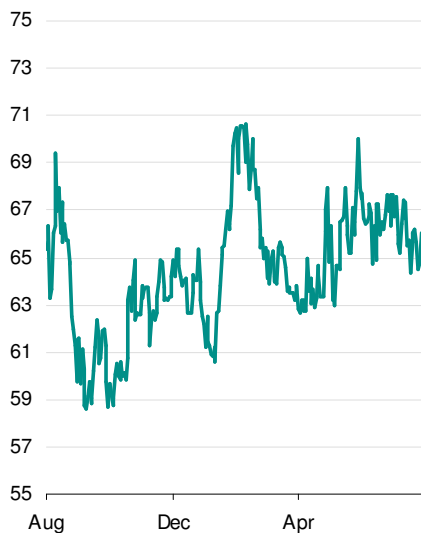
	Total futures/options	Total ETFs	Global total investment	Gold price \$/oz	
30-Jul-10	26,451,889	63,111,956	89,563,845	27-Jul-10	1,168
06-Aug-10	26,202,300	63,074,467	89,276,767	03-Aug-10	1,188
Change	-249,589	-37,489	-287,078		20

- Open interest on Comex fell for the sixth consecutive week in the week under review, along with a 0.34 Moz decline in the net long large specs' futures position, continuing the overall downward trend despite a rise the previous week. Notably, large specs shorts fell for the second consecutive week (having dropped more than 1 Moz in the week ending 27 July), suggesting investors remain cautious on betting too heavily on gold's demise. Large spec longs however fell further still. The total net long position shed 0.39 Moz, to reach 23.9 Moz – a long way short of June and May levels but off its four-month low of 23.8 Moz in the week ending 20 July.
- On Tocom the net long futures' position rose by 0.14 Moz, to almost 2.3 Moz, but by 6 August it had almost entirely reversed, falling 0.13 Moz.
- Gold-backed ETFs fell by 37,489 oz (no data yet for the ZKB product) highlighting nervousness in backing the longer-term prospects for the metal. Including the Indian and Turkish ETFs, total ETFs that we measure have shed 1.17 Moz over the past three weeks, which when measured on a rolling basis is the most since the period ended 12 September 2008.
- Despite a net 0.29 Moz fall in total global investment, the gold price rose \$20/oz, to \$1,188/oz. It has since fixed higher, at \$1,206/oz, in the morning of 9 August in London.

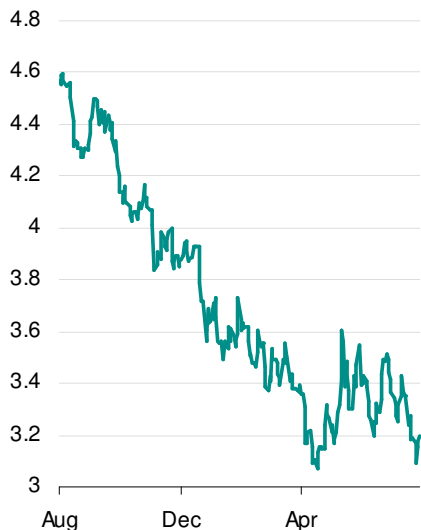
## Exchange gold investment, past 12 months, ounces



### Gold/silver ratio, past 12 months



### Platinum/palladium ratio, past 12 months

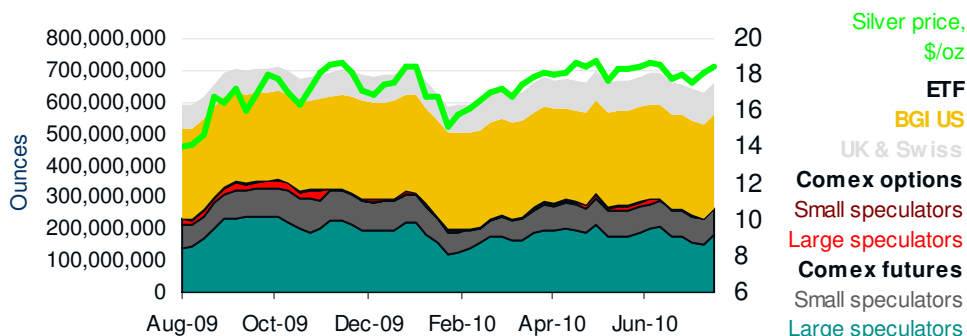


### Silver investment (ounces)

Comex	Open Interest	Large Specs	Small Specs	Options net long	Total
27-Jul-10	701,315,000	151,685,000	82,155,000	1,955,000	235,795,000
03-Aug-10	750,400,000	182,275,000	80,440,000	3,745,000	266,460,000
Change	49,085,000	30,590,000	-1,715,000	1,790,000	30,665,000

ETFs	Swiss/UK	US	Total ETFs	Global total investment	Silver price \$/oz (at end Comex date)
30-Jul-10	108,229,751	304,586,765	412,816,516	648,611,516	18.16
06-Aug-10	108,200,470	303,483,433	411,683,903	678,143,903	18.42
Change	-29,281	-1,103,332	-1,132,613	29,532,387	0.26



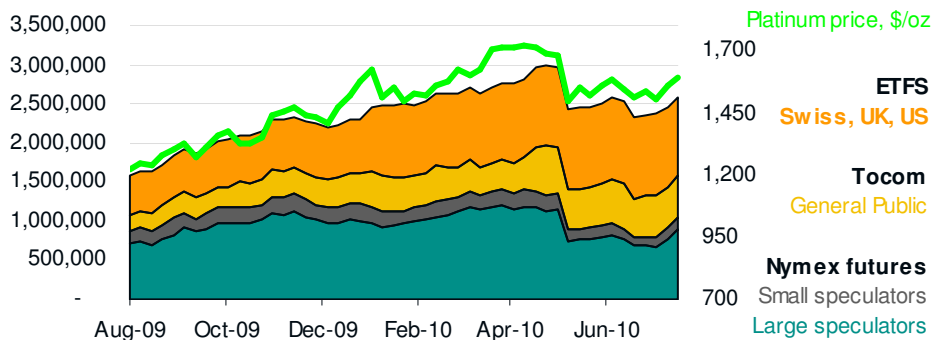
- Large specs' futures leapt by 30.6 Moz in the week to 3 August, its largest increase since September 2009. Shorts in this position fell more than 7 Moz and longs rose by 23.5 Moz, to reach 33.7 Moz and 215.9 Moz, respectively. Overall gross longs rose by 24.79 Moz and gross shorts fell by 5.88 Moz. The rise in silver investment follows closely the rise in Comex copper, which rose by 42,218t to take the net long position to 100,981t in the week to 3 August.
- ETFs however saw outflows, shedding 1.13 Moz – the largest since mid-April. The rise in Comex though was enough to lift the price by \$0.26/oz, to \$18.42/oz. It fixed in London in the morning of 9 August at \$18.30/oz.

### Platinum investment (ounces)

Nymex	Open Interest	Large Specs	Small Specs	Total	Tocom
27-Jul-10	1,448,550	774,050	133,150	907,200	521,607
03-Aug-10	1,580,750	895,750	155,650	1,051,400	527,150
Change	132,200	121,700	22,500	144,200	5,543

ETFs	Swiss/UK	US	Total ETFs	Global total investment	Platinum price \$/oz (at end Nymex date)
30-Jul-10	711,812	288,974	1,000,786	2,429,593	1,560.00
06-Aug-10	707,944	288,851	996,796	2,575,345	1,590.00
Change	-3,868	-123	-3,990	145,753	30



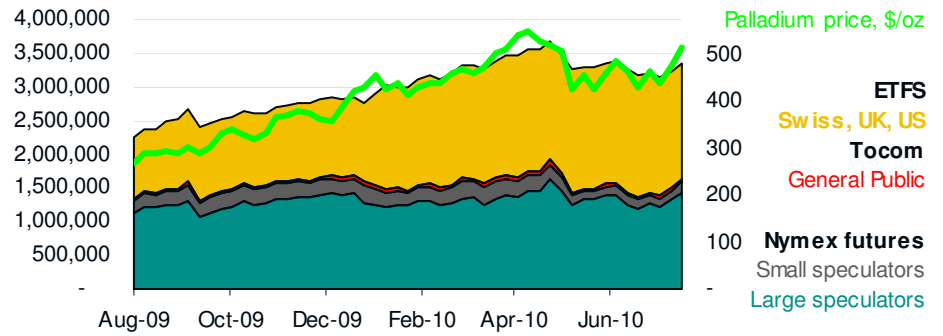
- Nymex net longs climbed 144,200 oz in the week, its largest rise in more than 10 years. In the past two weeks the net long position has risen by 263,450 oz, more than at any time since the period ended 21 September 1999. This recovery is to be expected – after all, the net long position had fallen to its lowest level of 787,950 oz since August 2009 from a high of 1.3 Moz/1.4 Moz in April and May.
- Tocom futures rose 5,543 oz, to take the net futures position to 0.53 Moz. By 6 August the GP & Funds' position was almost 0.54 Moz. ETFs managed to fall 3,990 oz following larger outflows the previous week.
- The platinum price rose \$30/oz, to \$1,590/oz in the week ending 20 July. It fixed lower at \$1,558/oz in the morning of 9 August in London.

## Palladium investment (ounces)

Nymex	Open interest	Large Specs	Small Specs	Total	Tocom
27-Jul-10	2,020,100	1,332,900	128,400	1,461,300	37,440
03-Aug-10	2,069,200	1,423,800	164,500	1,588,300	34,851
Change	49,100	90,900	36,100	127,000	-2,588

ETFs	Swiss/UK	US	Total ETFs	Global total investment	Palladium price \$/oz (at end Nymex date)
30-Jul-10	976,879	752,760	1,729,638	3,228,378	478.00
06-Aug-10	975,317	752,344	1,727,660	3,350,812	514.00
Change	-1,562	-416	-1,978	122,434	36



- As with platinum, palladium has seen an impressive recovery in investment on Nymex. The net long large specs' position advanced by 90,900 oz in the week to 3 August and has risen 202,000 oz in the two weeks to date. This is the largest rolling two-week gain since early August 2009, and marks a clear reversal in sentiment following the late May slide.
- Tocom and ETFs however both fell, with the former down 2,588 oz and the latter 1,978 oz. By 6 August Tocom had slipped further, to 34,803 oz.
- The palladium price leapt \$36/oz, to \$514/oz in the week to 3 August but has since corrected to fix in London at \$487/oz in the morning of 9 August.

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