

23 August 2010

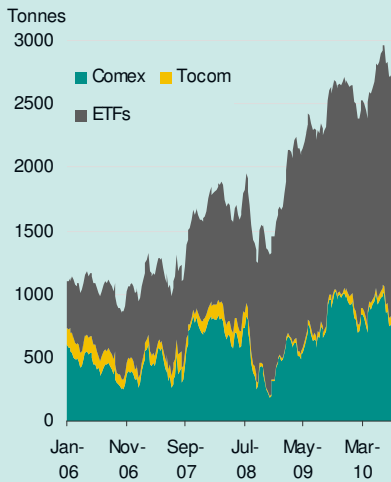
Precious Metals Weekly

CFTC/Tocom data to week ending 17 August 2010

ETF data to week ending 20 August 2010

Gold gains on risk aversion

All gold investment, Jan 2006-August 2010, tonnes



Gold price in various currencies, past year

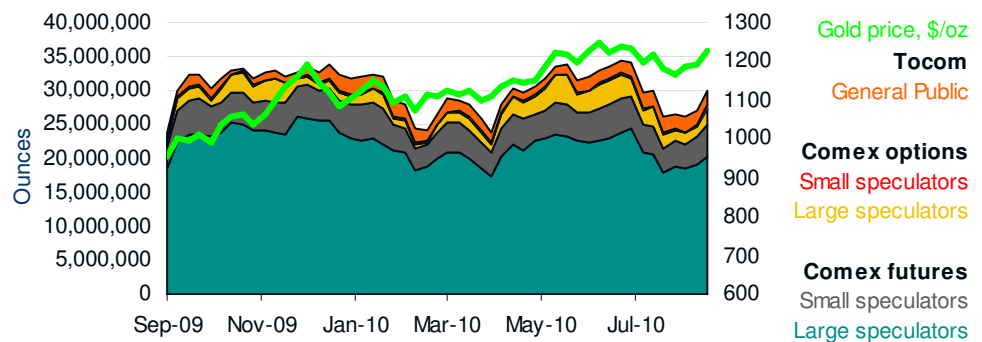


Gold investment (ounces)

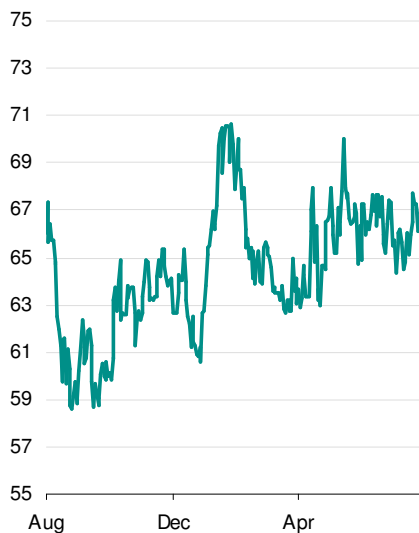
Futures/options	Comex net long futures				Total	Tocom General Public
	Futures Large Specs	Small Specs	Options Large Specs	Small Specs		
10-Aug-10	19,068,700	4,029,300	1,727,700	94,400	24,920,100	2,162,694
17-Aug-10	20,422,800	4,534,200	2,273,600	57,300	27,287,900	2,138,356
Change	1,354,100	504,900	545,900	-37,100	2,367,800	-24,338
ETFs	SPDR	US (BGI, ETFs)	UK (GBS, ETFs)	Australia	S.Africa	Swiss (ZKB, JB)
13-Aug-10	41,368,653	3,473,183	8,129,159	475,696	1,579,330	8,262,996
20-Aug-10	41,779,209	3,649,088	8,217,005	475,660	1,587,060	8,290,996
Change	410,556	175,904	87,845	-36	7,730	28,000
	Total futures/options	Total ETFs	Global total investment	Gold price \$/oz		
13-Aug-10	27,082,794	63,289,018	90,371,812	10-Aug-10	1,193	
20-Aug-10	29,426,256	63,999,018	93,425,274	17-Aug-10	1,226	
Change	2,343,462	710,000	3,053,462		34	

- The Comex net long large specs futures' position surpassed 20 Moz for the first time since mid-July in the week to 17 August, advancing by 1.35 Moz, to 20.42 Moz – the largest rise in the net long large specs futures' position since April. Such a rise is not unusual during the third quarter, but this is only the third time (by our records) that it has risen above 20 Moz during this period. The first time was in 2008, when it briefly hit 20 Moz before falling, and then in 2009 when it continued to push towards 25 Moz. The overall net long position rose almost 2.37 Moz, to 27.29 Moz – its third consecutive weekly rise.
- The Tocom GP & Funds futures' position held its nose above 2 Moz for the eighth successive week, although it fell slightly, to 2.14 Moz.
- Total ETF investment rose strongly in the week to 20 August – its third successive weekly gain. Much of this has been in US ETF products (mainly the SPDR ETF), which advanced by almost 0.78 Moz. ETF products elsewhere rose by just 0.11 Moz.
- The net 3 Moz rise in total global investment saw the gold price move higher, to \$1,226/oz in the week to 17 August, up by \$34/oz in the week. It fixed in London at \$1,227/oz in the morning of 23 August.

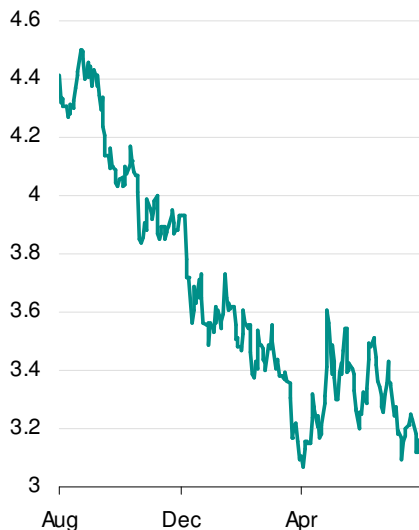
Exchange gold investment, past 12 months, ounces



Gold/silver ratio, past 12 months



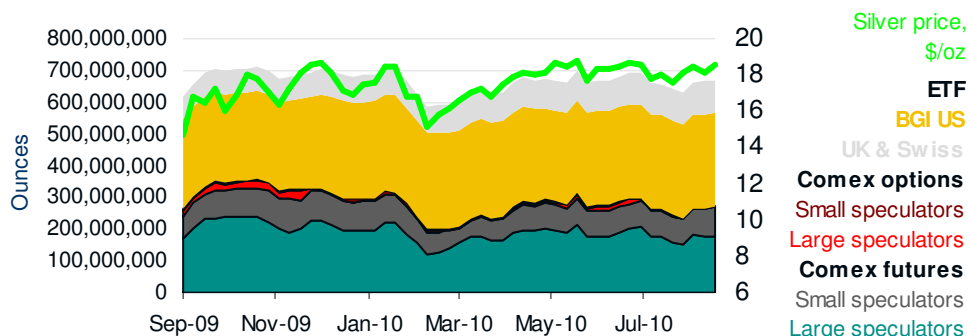
Platinum/palladium ratio, past 12 months



Silver investment (ounces)

Comex	Open Interest	Large Specs	Small Specs	Options net long	Total
10-Aug-10	742,225,000	178,670,000	85,095,000	3,285,000	267,050,000
17-Aug-10	782,950,000	177,860,000	90,860,000	4,720,000	273,440,000
Change	40,725,000	-810,000	5,765,000	1,435,000	6,390,000

ETFs	Swiss/UK	US	Total ETFs	Global total investment	Silver price \$/oz (at end Comex date)
13-Aug-10	111,384,584	303,483,433	414,868,016	681,918,016	18.09
20-Aug-10	112,283,369	303,483,433	415,766,802	689,206,802	18.54
Change	898,786	0	898,786	7,288,786	0.45

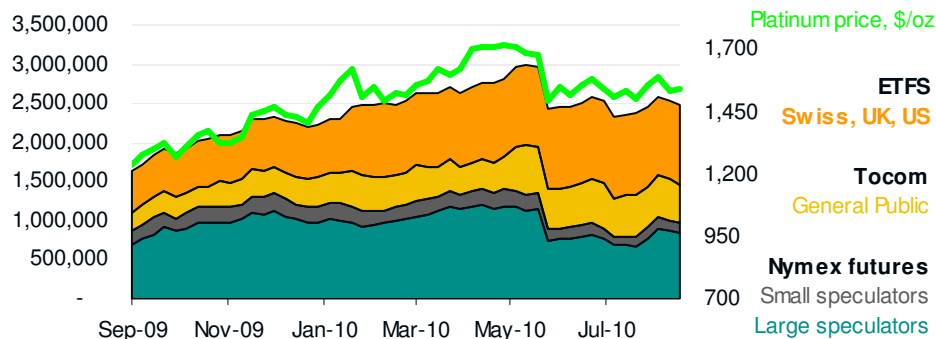


- Comex silver underperformed gold in the week to 17 August, perhaps due to lingering doubts over the strength of industrial demand. The net long position however did advance for the third consecutive week to 273.4 Moz, up 6.39 Moz on the week. The gain was tempered by a 0.81 Moz fall in large specs' futures, due to shorts more than offsetting the rise in longs.
- ETF holdings were added to only modestly in the week to 20 August, with inflows in the US ETFS and Julius Baer products. This was the seventh consecutive weekly advance in total ETF holdings.
- The silver price rose by \$0.45/oz, to \$18.54/oz. It fixed in London at \$18.14/oz on 20 August.

Platinum investment (ounces)

Nymex	Open Interest	Large Specs	Small Specs	Total	Tocom
10-Aug-10	1,563,100	878,300	120,200	998,500	528,924
17-Aug-10	1,552,350	845,850	121,350	967,200	491,882
Change	-10,750	-32,450	1,150	-31,300	-37,042

ETFs	Swiss/UK	US	Total ETFs	Global total investment	Platinum price \$/oz (at end Nymex date)
13-Aug-10	707,944	298,806	1,006,750	2,534,174	1,539.00
20-Aug-10	712,791	298,806	1,011,597	2,470,679	1,541.00
Change	4,847	0	4,847	-63,495	2

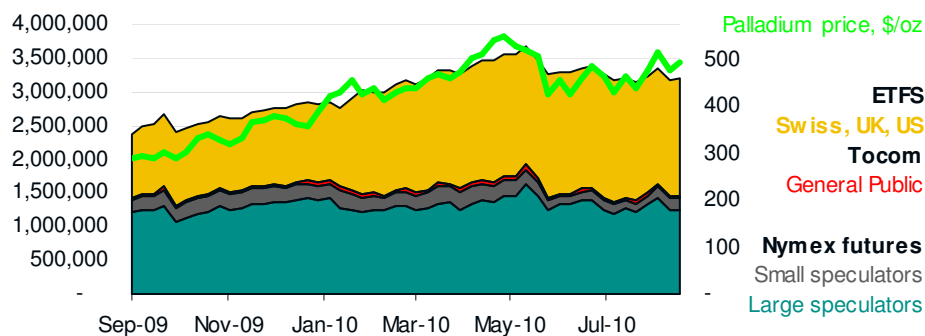


- Platinum investment fared poorly in the week under review. The Nymex net long position shed 31,300 oz, to 967,200 oz, which follows on from the previous week's fall of 52,900 oz. In the past two weeks large specs' longs have declined by 52,550 oz, while shorts have fallen by 2,650 oz.
- The Tocom net long futures' position fell by 37,042 oz, to 491,868 oz. It rose by 10,234 oz by 20 August. ETFs however added 4,848 oz.
- Despite the net 63,495 oz decline in total global investment the platinum price rose by \$2/oz, to \$1,541/oz in the week to 17 August. It fixed down at \$1,506.50/oz in London on the morning of 23 August.

Palladium investment (ounces)

Nymex	Open interest	Large Specs	Small Specs	Total	Tocom
10-Aug-10	1,948,800	1,234,500	184,200	1,418,700	34,369
17-Aug-10	1,941,900	1,245,200	175,000	1,420,200	32,890
Change	-6,900	10,700	-9,200	1,500	-1,479

ETFs	Swiss/UK	US	Total ETFs	Global total investment	Palladium price \$/oz (at end Nymex date)
13-Aug-10	990,255	752,344	1,742,599	3,195,668	479.00
20-Aug-10	990,831	752,344	1,743,174	3,196,265	494.00
Change	576	0	576	597	15



- Palladium did rather better than platinum, rising 1,500 oz on Nymex, while ETF holdings rose by 576 oz. Tocom however fell by 1,479 oz.
- The advance in the Nymex net long position was led by a 10,700 oz rise in the large specs, as the fall in shorts in this position more than offset the decline in longs. The small specs fell 9,200 oz, to 175,000 oz.
- The gain in ETF holdings was via inflows in the Julius Baer product; there was no change in the US and UK ETFs products.
- The palladium price rose by \$15/oz, to \$494/oz in the week to 17 August. By the morning of 23 August however it fixed down, at \$476/oz in London.

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