

Precious Metals Investment Weekly

Date: 8 March 2010

Topic: CFTC, Tocom & ETF data in week to 2 March 2010

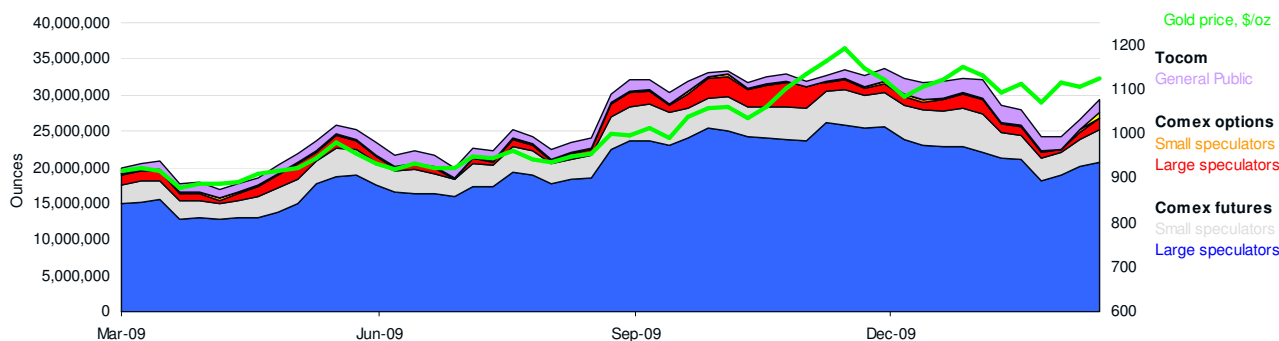
Nutshell: Confidence returns

Gold investment (ounces)

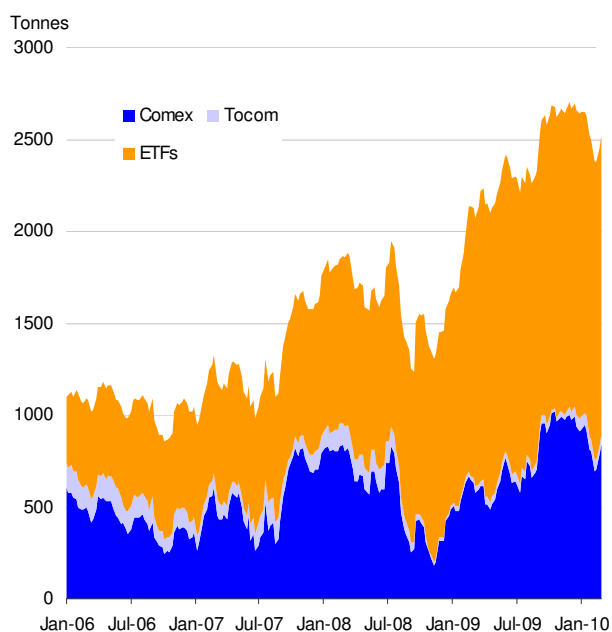
Futures	Comex net long Futures		Options		Total	Tocom General Public	Total futures	Gold price \$/oz
	Large Specs	Small Specs	Large Specs	Small Specs				
23-Feb-10	20,062,200	3,742,200	1,119,900	217,000	25,141,300	1,407,261	26,548,561	1107
02-Mar-10	20,737,200	4,416,500	1,553,300	180,800	26,887,800	1,829,024	28,716,824	1127
Change	675,000	674,300	433,400	-36,200	1,746,500	421,763	2,168,263	20

ETFs	SPDR	BGI US	UK GBS	Australia	S.Africa	UK and Swiss	Total ETFs	Global total investment
23-Feb-10	35,590,749	2,489,862	3,837,552	491,567	1,695,849	8,207,125	52,804,270	79,352,831
02-Mar-10	35,737,643	2,494,008	3,829,729	491,530	1,629,157	8,247,435	52,921,030	81,637,854
Change	146,894	4,145	-7,823	-37	-66,692	40,310	116,760	2,285,023

Exchange gold investment, past 12 months, oz



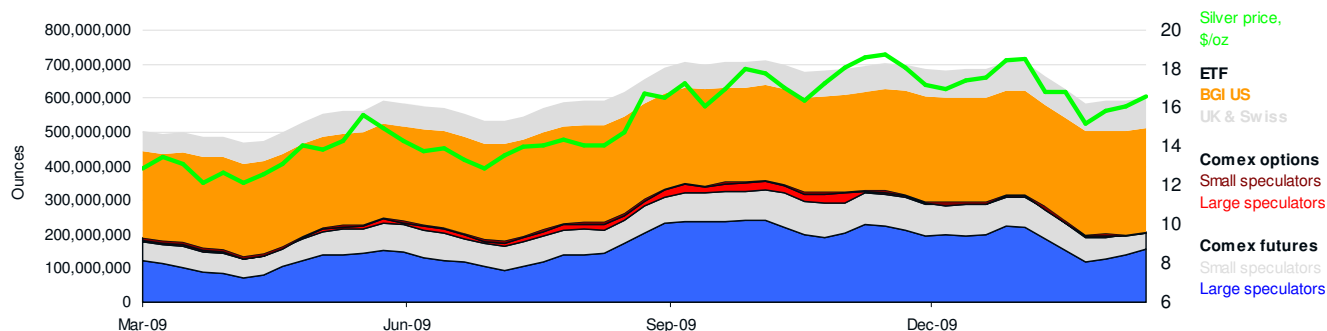
All gold investment, Jan 2006-March 2010, tonnes



- The Comex gold net long position rose for the third consecutive week in the week ending 2 March, partially recouping losses incurred during the recent sell off. The net position increased by almost 1.75 Moz, with the addition of 990,000 oz of new longs and the exiting of 756,500 oz shorts. This brings the total gain in net longs to 4.58 Moz in the period from 9 February to 2 March; still somewhat short of the more than 8 Moz lost from the net long position in January and early February, but the trend is once again upwards.
- The general level of optimism concerning gold's prospects spread to Tocom, with the addition of 421,763 oz of new longs, the first rise in five weeks. However, by 5 March more than 120,000 oz has been lost, suggesting investors there remain cautious.
- ETFs also added ounces, with the SPDR rising 146,894 oz in the week under review, and another 146,746 oz by 5 March.
- The gold price rose \$20/oz to fix at \$1,127/oz. It has since fix in London at \$1,134/oz on the morning of 8 March.

Silver investment (ounces)

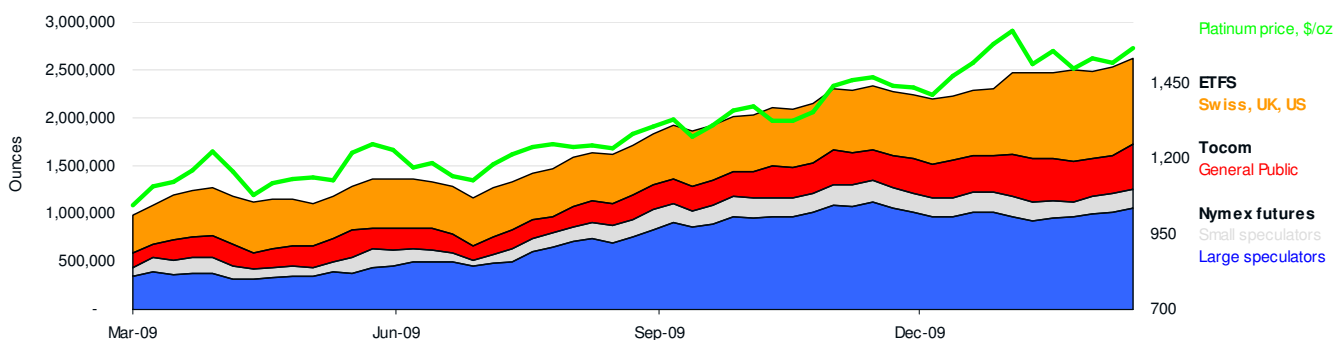
Date	Comex		Futures		Options	Total	ETFs		Global investment total	Price \$/oz
	Open Interest	Large Specs	Small Specs	Net long	Net long		US ETF	UK ETF		
23-Feb-10	697,075,000	139,080,000	59,770,000	1,695,000	200,545,000	392,781,127			593,326,127	16.10
02-Mar-10	666,115,000	155,290,000	49,410,000	3,735,000	208,435,000	394,127,989			602,562,989	16.57
Change	-30,960,000	16,210,000	-10,360,000	2,040,000	7,890,000	1,346,862			9,236,862	0.47



- A 10.36 Moz fall in the silver Comex small speculators' position only partially offset gains in the large speculators' position, coaxing the net longs position, including a 2 Moz rise in options, to more than 208.4 Moz, up 7.9 Moz on the week. In total there was a 5.3 Moz rise in new longs and almost 2.6 Moz fall in shorts, giving rise to the largest gain in the net long position since early January this year.
- ETF investment added 1.35 Moz to the global total in the week to 2 March, but since our cut off date (to 5 March) the US silver ETF has shed 1.96 Moz, while only modest gains have occurred in the UK ETF.
- The silver price rose \$0.47/oz, to fix at \$16.57/oz. It has since risen to fix in London at \$17.33/oz on 8 March.

Platinum investment (ounces)

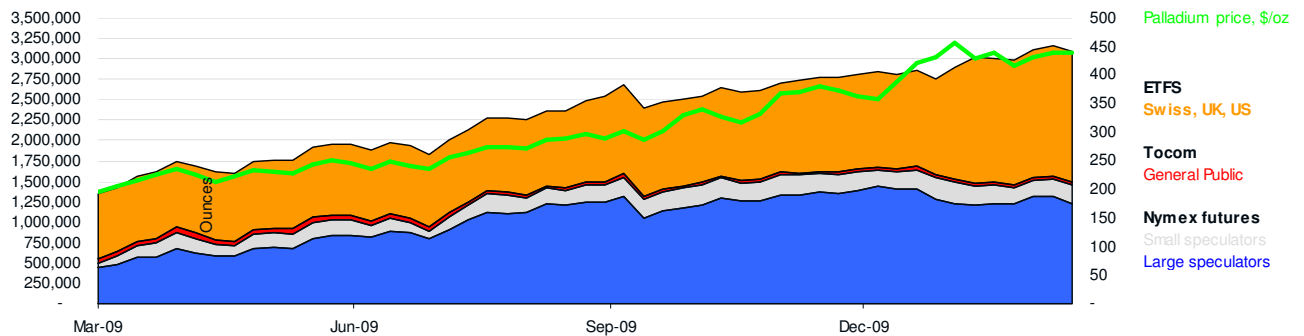
Date	Nymex		Futures		Total	Tocom GP net long	ETFs Swiss, UK and US	Global investment total	Price \$/oz
	Open Interest	Large Specs	Small Specs	Net long					
23-Feb-10	1,749,550	1,013,850	193,650	1,207,500	392,469	924,810	2,524,779	1,518	
02-Mar-10	1,754,800	1,055,150	208,500	1,263,650	456,625	899,695	2,619,970	1,562	
Change	5,250	41,300	14,850	56,150	64,156	-25,115	95,191	44	



- Gains in Nymex and TOCOM net longs pushed total platinum futures to a record 1.7 Moz in the week under review. Nymex net longs rose 56,150 oz, the third such weekly gain, and TOCOM was up by 64,156 oz, the largest rise since mid-January 2010. Since mid-February total global futures have risen 172,467 oz, which is the largest three-week rise since the period ended 15 July 2008.
- ETFs bucked the trend, declining by 25,115 oz in the week, with the US ETF product accounting for most of the decline. However, from 2 March to 5 March, the US ETF added almost 10,000 oz and the UK ETF 1,000 oz.
- The platinum price increased by \$44/oz, to \$1,562/oz, but has since fixed up higher, at \$1,598/oz in London on the morning of 8 March.

Palladium investment (ounces)

Date	Nymex				Tocom	ETFs	Global investment total	Price \$/oz
	Open Interest	Futures		Total				
		Large Specs Net long	Small Specs Net long		GP net long	Swiss, UK and US		
23-Feb-10	2,345,900	1,313,300	211,900	1,525,200	40,269	1,588,119	3,153,588	438
02-Mar-10	2,159,700	1,233,700	225,200	1,458,900	42,246	1,598,614	3,099,760	440
Change	-186,200	-79,600	13,300	-66,300	1,977	10,495	-53,828	2



- Nymex palladium net longs moved the opposite way to that of platinum, falling 66,300 oz in the week under review, to 1.458 Moz. This was comprised of a 151,000 oz fall in longs and 85,000 oz fall in shorts.
- Tocom futures' investment offered little respite, with a meagre 1,977 oz added to the overall net position, but ETFs fared a little better, rising 10,495 oz.
- The palladium price rose by \$2/oz, to fix at \$440/oz on 2 March. It has since risen a further \$37/oz to fix in London at \$477/oz on the morning of 8 March.

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