

Precious Metals Investment Weekly

Date: 07 June 2010

Topic: CFTC, Tocom & ETF data in week to 1 June 2010

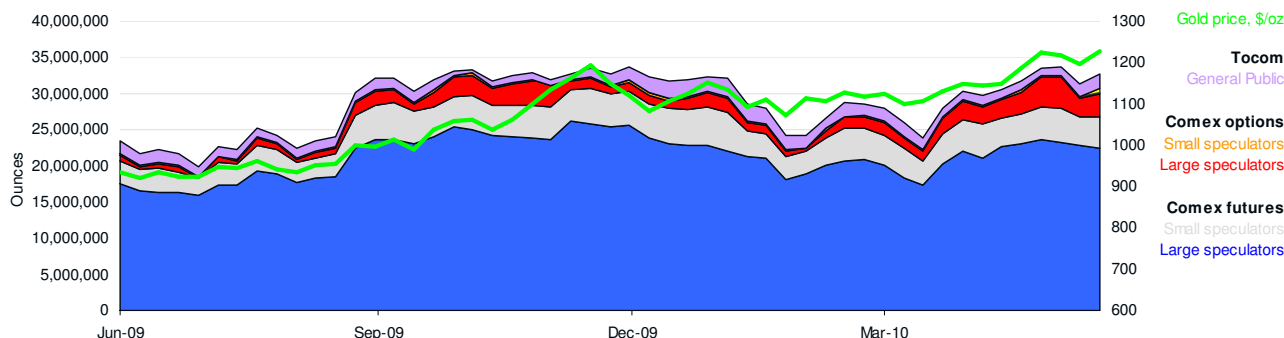
Nutshell: Gold gains as other precious metals have mixed week

Gold investment (ounces)

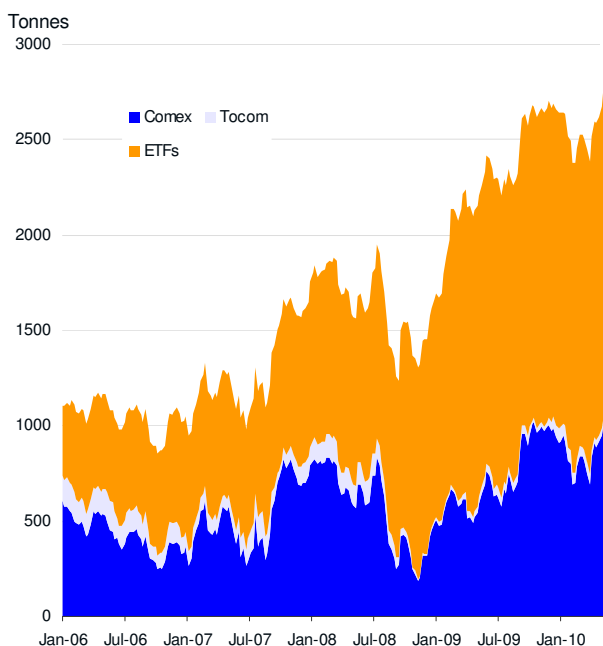
Futures	Comex net long Futures		Options		Total	Tocom General Public	Total futures	Gold price \$/oz
	Large Specs	Small Specs	Large Specs	Small Specs				
25-May-10	22,769,100	4,068,800	2,563,900	208,100	29,609,900	1,727,460	31,337,360	1198
01-Jun-10	22,454,600	4,307,700	3,164,900	219,700	30,146,900	1,879,983	32,026,883	1228
Change	-314,500	238,900	601,000	11,600	537,000	152,523	689,523	30

ETFs	SPDR	US (BGI, ETFS)	UK (GBS, ETFS)	Australia	S.Africa	Swiss (ZKB, JB)	Total ETFs	Global total investment
28-May-10	40,765,222	3,126,476	8,057,470	476,118	1,451,580	7,698,036	61,574,903	92,912,263
04-Jun-10	41,357,741	3,125,602	8,147,580	476,052	1,463,200	7,709,686	62,279,861	94,306,744
Change	592,518	-874	90,110	-66	11,620	11,650	704,958	1,394,481

Exchange gold investment, past 12 months, oz



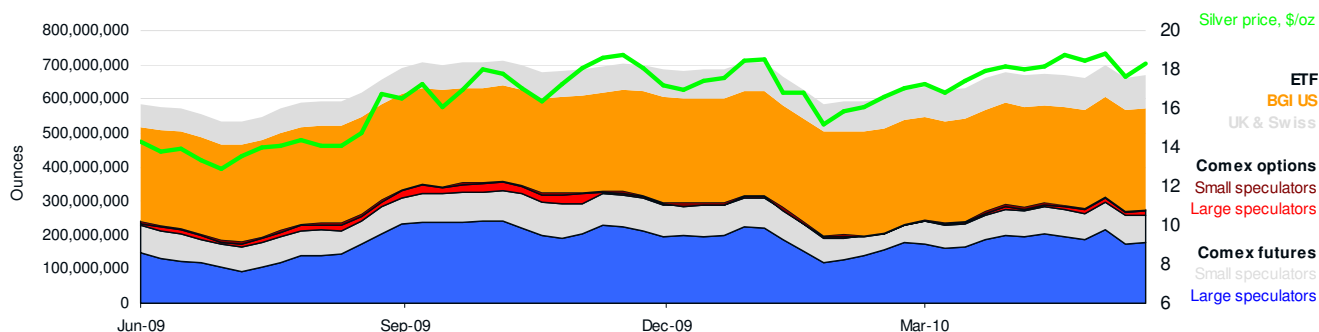
All gold investment, Jan 2006-June 2010, tonnes



- Comex net longs rose for the first time in three weeks in the week ending 1 June, as gold rallied on concerns over eurozone debt. Net longs rose almost 0.54 Moz, to 30.15 Moz, with much of this due to the large speculators' options position, up 0.6 Moz (the large speculators' futures position in contrast fell 0.31 Moz). However both gross longs and shorts fell, with a near 0.65 Moz decline in shorts and 0.11 Moz fall in longs.
- Tocom investment rose for the fourth week with the addition of 152,523 oz. This took the net futures position to 1.88 Moz, its largest since early February 2010.
- ETF holdings also gained significantly in the week to 4 June (they rose 0.23 Moz in the week to 1 June). The SPDR ETF added 0.59 Moz, to reach a record 41.4 Moz. In the past six weeks (i.e. since 24 April 2010) the SPDR ETF has added 4.7 Moz of gold to holdings, which is the largest rise over a six-week period since the period ended 20 March 2009. The UK ETFS product also rose 92,029 oz in the week, and has now increased by 0.74 Moz over the past six weeks.
- The gold price rose \$30/oz to fix at \$1,228/oz on 1 June. Since then it has softened a bit, fixing in London at \$1,212.40/oz in the morning of 7 June.

Silver investment (ounces)

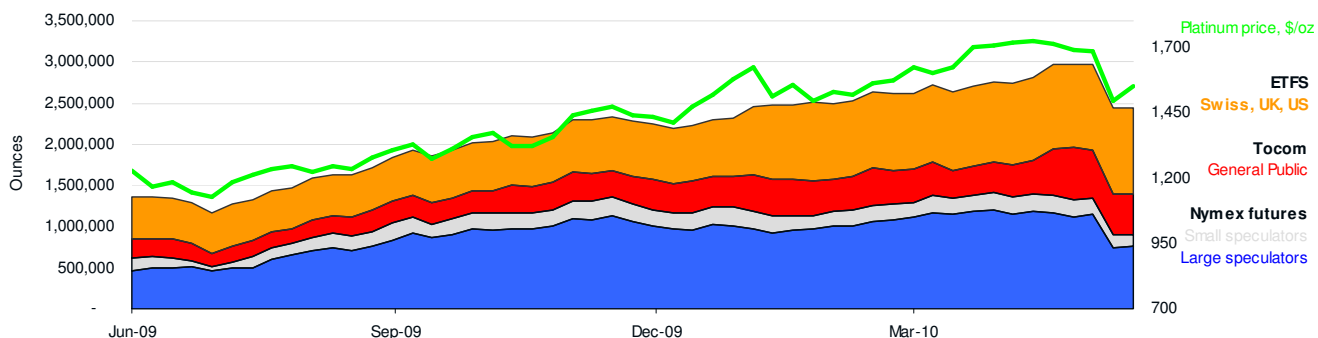
Date	Comex					US iShares & ETFs UK ETF Swiss ZKB and JB 21-28 May	Global investment total	Price \$/oz
	Open	Futures		Options	Total			
		Large Specs	Small Specs					
25-May-10	761,615,000	174,160,000	83,085,000	12,815,000	270,060,000	407,244,851	677,304,851	17.63
01-Jun-10	781,855,000	179,425,000	80,350,000	16,060,000	275,835,000	406,930,496	682,765,496	18.30
Change	20,240,000	5,265,000	-2,735,000	3,245,000	5,775,000	-314,355	5,460,645	0.67



- Comex silver net longs bounced back slightly in the week under review, rising 5.78 Moz following last week's 42.9 Moz drop. Overall there was a 3.4 Moz rise in longs and 2.35 Moz fall in shorts.
- ETFs meanwhile fell in the week to 4 June for the first time in five weeks, albeit by a small 314,355 oz (in the week to 1 June they gained 2.6 Moz). In fact only the US iShares ETF saw a decline (1.59 Moz), while the rest we measure all gained, including the UK ETFS (0.2 Moz), Swiss ZKB (0.1 Moz), Julius Baer (0.68 Moz) and US ETFS (0.3 Moz).
- The silver price rose by \$0.67/oz, to \$18.30/oz on 1 June, but by Friday 7 June it was at \$17.36/oz.

Platinum investment (ounces)

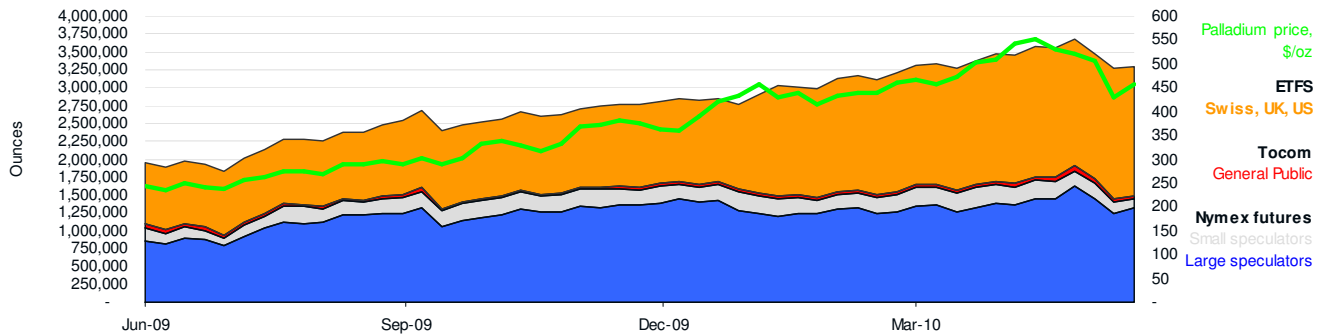
Date	Nymex				Tocom GP net long	Swiss ZKB and JB UK & US ETFS 21-28 May	Global investment total	Price \$/oz
	Open	Futures		Total				
		Large Specs	Small Specs					
25-May-10	1,514,150	749,400	154,350	903,750	491,776	1,039,004	2,434,530	1,493
01-Jun-10	1,514,650	758,150	134,950	893,100	507,598	1,044,481	2,445,179	1,550
Change	500	8,750	-19,400	-10,650	15,822	5,477	10,649	57



- Nymex platinum fell another 10,649 oz in the week to 1 June – albeit a mere drop in the ocean compared with last week's 442,500 oz drop. Tocom investors however bucked the trend with the addition of 15,822 oz to the net longs position.
- ETFs also gained slightly in the week to 4 June, with the UK ETFS and Swiss ZKB rising slightly while the rest remained unchanged. Total platinum ETF holdings now stand a record 1.04 Moz.
- The platinum price added \$57/oz in the week to 1 June, to \$1,550/oz. The price has since fallen to fix in London at \$1,495/oz in the morning of 7 June.

Palladium investment (ounces)

Date	Nymex				Tocom GP net long	Swiss ZKB and JB UK & US ETFs 21-28 May	Global investment total	Price \$/oz
	Open Interest	Futures		Total				
		Large Specs Net long	Small Specs Net long					
25-May-10	2,117,500	1,230,800	165,700	1,396,500	39,754	1,818,708	3,254,962	428
01-Jun-10	2,127,100	1,327,200	112,800	1,440,000	42,664	1,812,736	3,295,400	457
Change	9,600	96,400	-52,900	43,500	2,910	-5,972	40,438	29



- Nymex palladium net longs rose for the first time in two weeks in the week ending 1 June. 41,400 oz of new longs were added and 2,300 of shorts exited leaving the total net long position at 1.44 Moz – far from its record of 1.83 Moz in early May, but a change in trend nevertheless.
- Tocom futures' investment rose just 2,910 oz, to 42,664 oz, also reversing a two-week decline. ETFs meanwhile fell by 5,972 oz – their first fall in two weeks.
- The palladium price rose \$29/oz, to \$457/oz. It fixed lower at \$421/oz in London on the morning of 7 June.

The VM Group/MineLife

100-101 Ashmill Street, London - NW1 6RA, UK

Tel + 44 (0) 20 7569 5930

Web: <http://www.virtualmetals.co.uk>

Email: info@virtualmetals.co.uk

Disclaimer

The contents of this document are confidential and proprietary to Fortis Bank (Nederland) N.V. and its affiliates ("Fortis") and may not be disclosed to a third party without Fortis' prior written consent. This document is provided for information purposes only and as an accommodation to you. The information contained herein (the "Information") is current as at the date of issue and Fortis shall be under no obligation to notify you of any changes to the Information or otherwise to update the Information after this date. Any material contained herein is for information purposes only and should not be regarded as an offer, recommendation or solicitation to buy or sell securities or derivative products. It does not contain a complete description of any particular product or transaction and any investment decision should be based upon the final documentation prepared in relation to any particular product or transaction.

Information may have been obtained from, and/or based upon information obtained from sources that Fortis believes to be reliable, however the accuracy and completeness thereof and the computations based thereon cannot be assumed. No representation or warranty, express or implied, is or will be made, and no responsibility or liability is or will be accepted by Fortis or any of its officers, servants, agents, employees or advisors in relation to the accuracy or completeness of this document or the Information. The Information must be considered in conjunction with all other publicly available information. This document may include various forms of performance analysis, characteristics and pricing estimates. Such information and any opinion, estimate or projection contained in this document is illustrative only and is not intended to predict actual results which may be expected to differ substantially from those described in this document. Past performance is not necessarily indicative of future results.

Fortis is not providing you with investment advice or a personal recommendation nor will it be deemed to have done so. The Information is being provided to you because we believe, based upon statements and other indications you have provided, that (i) you have sufficient knowledge, experience and professional advice to understand and make your own independent evaluation of the merits, risks and suitability of making an investment in the type of products or transactions described herein; (ii) you are not relying on Fortis for information, advice or recommendations of any sort, except factual information, about the terms of any product or transaction; and (iii) you have sufficient financial means to accept the risk connected with any product or transaction described herein. Fortis acts as principal in transacting with you and does not owe any fiduciary duties to you. You must determine the suitability of any products or transactions described herein. The products and transactions described herein may not be suitable for all investors. Fortis is not providing you with financial, legal, tax, regulatory or accounting advice. It is your responsibility to seek your own advice in these respects and to satisfy yourself that you are aware of any such risks associated with the products or structures described in the Information. Fortis expressly disclaims any responsibility for any uses to which you put this information.

This document does not purport to identify or suggest all of the risks, direct or indirect, which may be associated with any products or transactions described herein. Fortis may have positions in trades and securities similar to the products and transactions described herein. There may be no market for products described herein, therefore investors should be prepared to hold any product until maturity. If you unwind a transaction early you may receive less than the stated redemption amount. Any transaction is subject to approvals, procedures and policies determined by Fortis and prevailing market conditions. The Information does not constitute research and as such may differ from published views.

Fortis Bank (Nederland) N.V. is authorised by De Nederlandsche Bank N.V. in the Netherlands and regulated by the Financial Services Authority for the conduct of investment business in the United Kingdom. Registered Office: Prins Bernhardplein 200, Amsterdam, 1097 JB, Netherlands.

Fortis GMK UK Limited is regulated by the Financial Services Authority for the conduct of investment business in the United Kingdom. Registered Office: 5 Aldermanbury Square, London, EC2V 7HR, United Kingdom (Company number 02706278).