

Precious Metals Investment Weekly

Date: 21 June 2010

Topic: CFTC, Tocom in week to 15 June 2010, ETF data to 18 June 2010

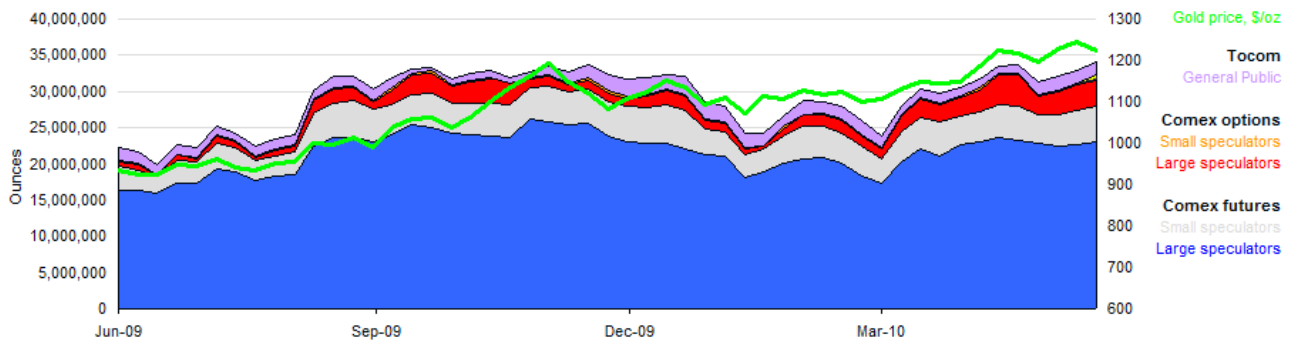
Nutshell: Investment begins to pick up

Gold investment (ounces)

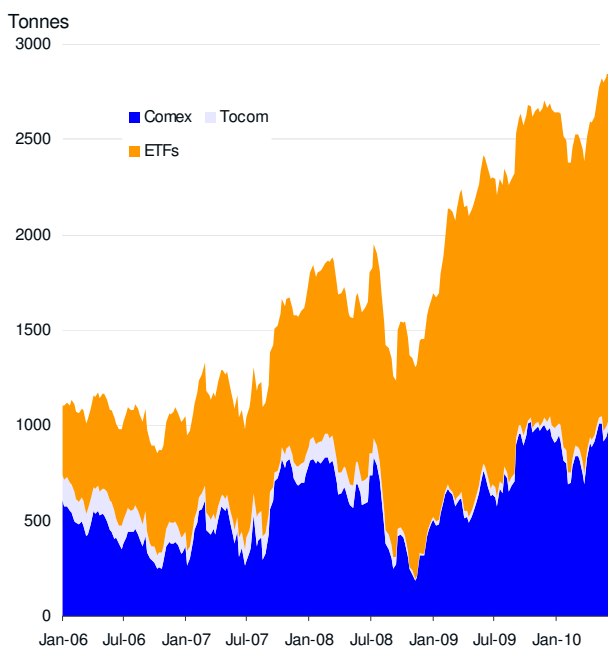
Futures	Comex net long Futures		Options		Total	Tocom General Public	Total futures	Gold price \$/oz
	Large Specs	Small Specs	Large Specs	Small Specs				
08-Jun-10	22,739,800	4,617,900	3,607,000	145,600	31,110,300	1,730,877	32,841,177	1246
15-Jun-10	23,025,100	4,869,300	3,573,200	177,500	31,645,100	1,847,890	33,492,990	1225
Change	285,300	251,400	-33,800	31,900	534,800	117,013	651,813	-21

ETFs	SPDR	US (BGI, ETFS)	UK (GBS, ETFS)	Australia	S.Africa	Swiss (ZKB, JB)	Total ETFs	Global total investment
11-Jun-10	41,993,616	3,175,037	8,256,520	476,017	1,545,220	7,857,634	63,304,043	96,145,220
18-Jun-10	42,052,307	3,175,037	8,249,928	475,981	1,549,060	7,889,784	63,392,098	96,885,088
Change	58,691	0	-6,591	-36	3,840	32,151	88,055	739,867

Exchange gold investment, past 12 months, oz



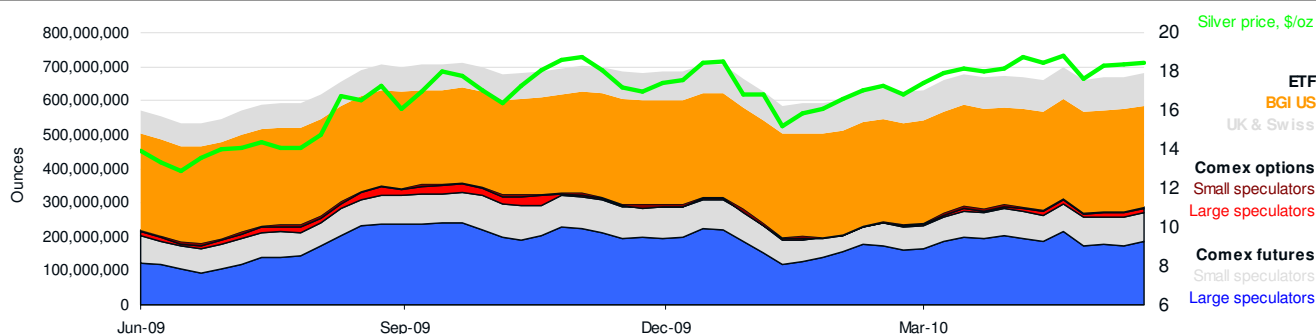
All gold investment, Jan 2006-June 2010, tonnes



- Comex net longs gained 534,800 oz in the week to 15 June, to reach more than 31.6 Moz. The non-commercial position rose 285,300 oz and the non-reportable position gained 251,400 oz. The gross change was a 233,200 oz fall in longs and 768,000 oz fall in shorts. The gold price hit an intraday high of \$1,261.90/oz on 18 June and is likely to exceed that today after fixing at \$1,259.50/oz in London in the morning. The Comex net long position is therefore expected to show further gains in the week to 22 June.
- Tocom rose for the second week, gaining 117,013 oz, to take the net futures' position to almost 1.85 Moz.
- ETF holdings posted a modest rise in the week to 18 June, adding 88,055 oz. The SPDR, Julius Baer and South African ETFs added 58,691 oz, 32,151 oz and 3,840 oz respectively, while the Lyxor GBS, UK ETFS product and Australian ETF all fell (no data for ZKB). Including the Indian, Xetra Gold and Turkish ETF products, total ETF holdings stand at a record 65.2 Moz, having gained 8.3 Moz this year.

Silver investment (ounces)

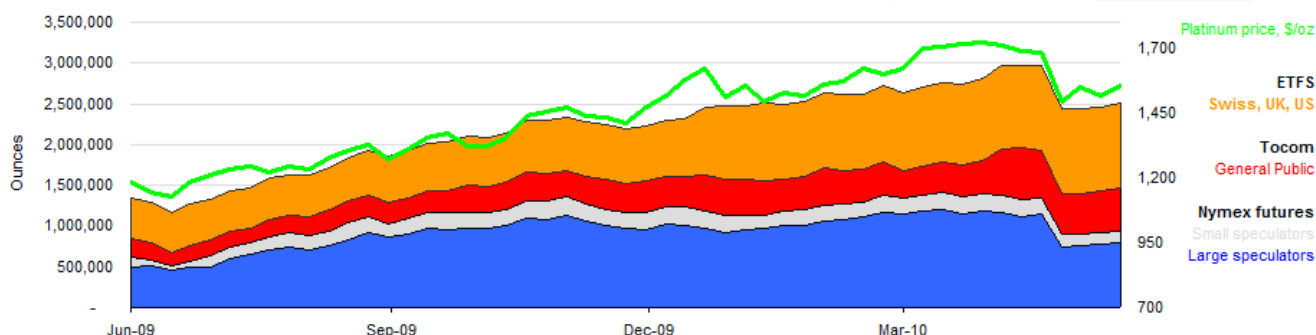
Date	Comex					US iShares & ETFS UK ETF Swiss ZKB and JB 21-28 May	Global investment total	Price \$/oz
	Open Interest	Futures		Options	Total			
		Large Specs	Small Specs	Net long				
08-Jun-10	784,570,000	175,015,000	85,205,000	16,425,000	276,645,000	407,957,192	684,602,192	18.34
15-Jun-10	827,440,000	187,580,000	81,325,000	19,415,000	288,320,000	408,382,827	696,702,827	18.42
Change	42,870,000	12,565,000	-3,880,000	2,990,000	11,675,000	425,635	12,100,635	0.08



- The Comex silver large speculators futures' position advanced almost 12.6 Moz and large speculators options' position by 4.3 Moz in the week to 15 June. But falls in the small specs futures and options saw the overall net position gain just 11.7 Moz. This was however its third weekly increase and the largest single weekly gain since mid-April 2010.
- The price rose just \$0.08/oz in the week, to \$18.42/oz. But the substantial rise on 18 June and 21 June, to an intra-day high of \$19.53/oz—its highest since 13 May 2010—suggests Comex silver will show a larger appreciation in the net position in the week ending 22 June.
- ETF holdings added just 90,190 oz, with the Julius Baer ETF was up 490,000 oz and the UK ETFS product down 399,810 oz.

Platinum investment (ounces)

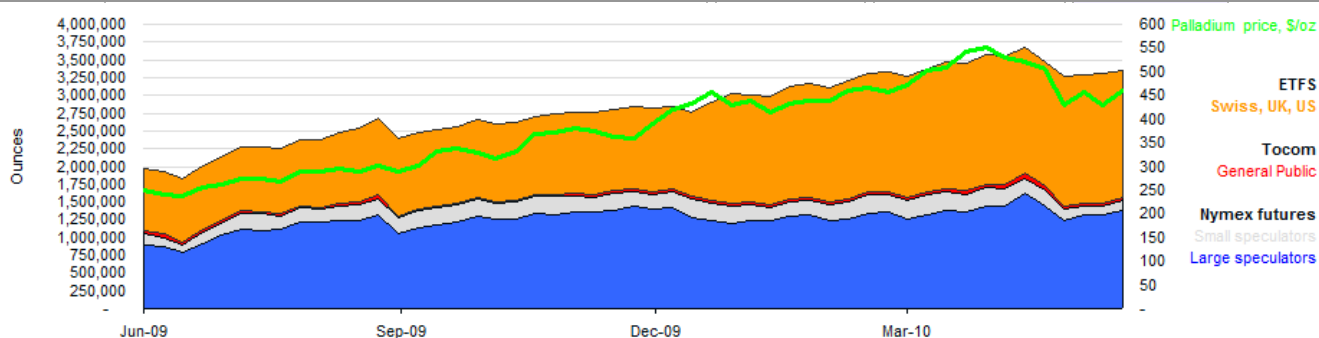
Date	Nymex				Tocom GP net long	Swiss ZKB and JB UK & US ETFS 21-28 May	Global investment total	Price \$/oz
	Open Interest	Futures		Total				
		Large Specs	Small Specs					
08-Jun-10	1,486,400	773,700	140,850	914,550	510,016	1,029,081	2,453,647	1,516
15-Jun-10	1,532,950	789,950	151,700	941,650	533,168	1,024,336	2,499,154	1,558
Change	46,550	16,250	10,850	27,100	23,152	-4,746	45,507	42



- Nymex platinum net longs rose for the second successive week in the week to 15 June. Both the non-commercial and no-reportable net futures' position advanced, taking the total net position to 941,650 oz, up 27,100 oz on the week. It was the largest increase since mid-April, suggesting some confidence is returning in the metal's short-term prospects.
- Tocom added 23,152 oz, to take the net futures' position to 533,168 oz, while ETFs saw outflows thanks to the 5,000 oz decline in the US ETFs product. There was no change in the other ETFs (no data yet for the Swiss ZKB) apart from the Julius Baer product, which added a modest 300 oz.
- The platinum price fixed in London at \$1,558/oz on 15 June, up \$42/oz week-on-week. It has since fixed at \$1,605/oz on the morning of 21 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 Large Specs Net long		Small Specs Net long				
08-Jun-10	2,114,500	1,319,700	125,300	1,445,000	38,099	1,808,265	3,291,363	428
15-Jun-10	2,150,900	1,386,000	132,700	1,518,700	37,150	1,788,732	3,344,582	460
Change	36,400	66,300	7,400	73,700	-948	-19,533	53,219	32



- Total options and futures net longs in Nymex palladium rose 73,500 oz in the week to 15 June, the largest rise since early May. Overall there was a 29,300 oz gross rise in longs and a 44,400 oz fall in shorts.
- Tocom futures' investment however fell for the second consecutive week, losing 948 oz to take the GP & Fund net position to 37,150 oz. But by 18 June the net futures' position stood at 38,581 oz, up 1,431 oz from our cutoff date.
- Palladium ETF holdings fell, led by a 20,033 oz outflow from the UK ETFs. There were no other changes in the other ETF products apart from a slight rise in the Julius Baer ETF.
- The palladium price rose \$32/oz, to \$460/oz in the week to 15 June. It fixed at \$498/oz in the morning on 21 June.

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