



# Precious Metals Investment Weekly

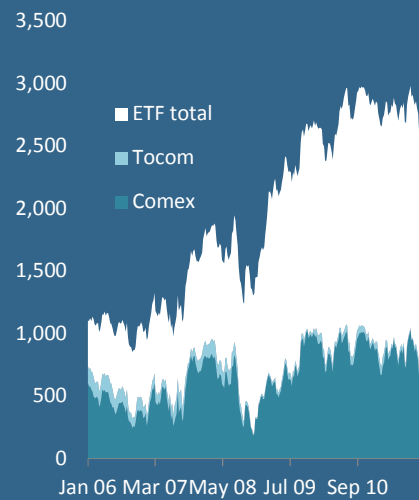
CFTC/Tocom data to week ending 11 October 2011

ETF data to week ending 14 October 2011

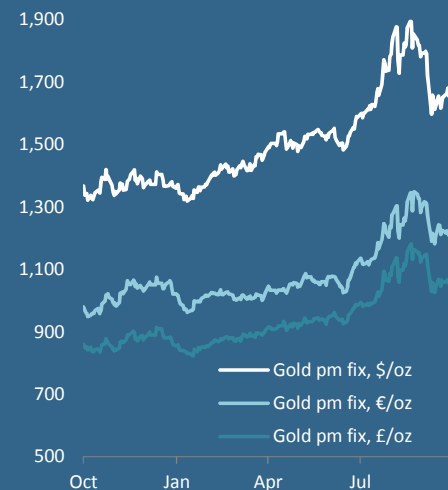
17 October 2011

## Gold and silver arrest fall, PGMs still out of favour

All gold investment, Jan 2006-Oct 2011, tonnes



Gold price in various currencies, past year



## Gold investment (ounces)

Futures & Options	Comex net long futures				TOTAL COMEX	Tocom	TOTAL FUT&OPT
	Futures Large	Futures Small	Options Large	Options Small			
04-Oct-11	13,315,600	3,159,500	2,915,800	229,600	19,620,500	1,351,978	20,972,478
11-Oct-11	13,450,200	3,397,600	3,352,000	198,100	20,397,900	1,333,742	21,731,642
<b>Change</b>	<b>134,600</b>	<b>238,100</b>	<b>436,200</b>	<b>-31,500</b>	<b>777,400</b>	<b>-18,236</b>	<b>759,164</b>

ETFs	SPDR	IAU Comex & US ETFs	UK GBS & ETFs	Australia - GBS (ASX)	S.Africa - New Gold	Swiss ZKB & Julius Baer	Other ETFs*
07-Oct-11	39,529,892	6,284,465	8,038,391	473,494	1,432,010	9,922,240	6,916,406
14-Oct-11	39,465,716	6,284,465	8,093,359	473,457	1,404,680	9,981,240	6,913,657
<b>Change</b>	<b>-64,176</b>	<b>0</b>	<b>54,968</b>	<b>-38</b>	<b>-27,330</b>	<b>59,000</b>	<b>-2,750</b>

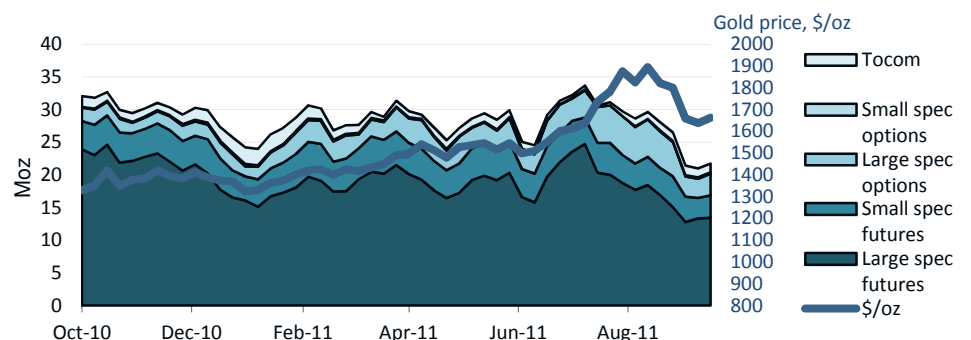
  

	Total ETFs	Global total investment (futures and options to week Tuesday and ETFs, incl other ETFs, to week Friday)	Gold price \$/oz
07-Oct-11	72,596,899	93,569,377	04-Oct-11 1,638
14-Oct-11	72,616,574	94,348,215	11-Oct-11 1,663
<b>Change</b>	<b>19,675</b>	<b>Change 781,589</b>	<b>Change 25</b>

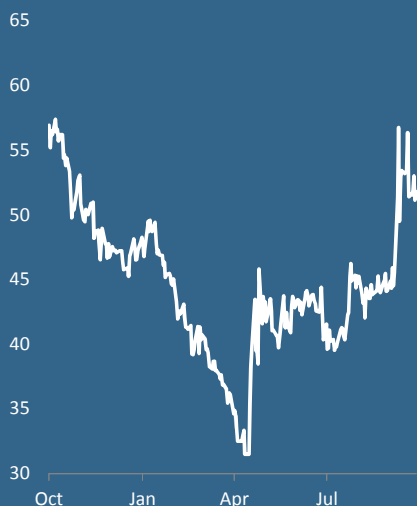
\* Other ETFs include: ETF Securities' Asian gold, precious metal and white metal baskets; five Indian ETFs (updated quarterly - figures shown assumes no change in current quarter from previous quarter); Turkish; Xetra; Claymore; Sprott Physical Gold Trust; Central Fund of Canada; and Central Goldtrust.

- Comex gold net spec length rose for the first time in five weeks in the week ending 11 October. Further liquidation in longs but larger exit of shorts saw the Large spec futures position rise for the second consecutive week, while small spec futures rose for the first time in four weeks. Overall, across futures and options, longs rose 0.29 Moz and shorts fell 0.49 Moz, leaving the net long position up by 0.78 Moz.
- The net long position at 20.4 Moz, is at its highest since the week ending 20 September. Whether this proves just a consolidation ahead of further declines in speculative activity remains to be seen. Details of the measures to contain the crisis in the EU are expected to be released later this week, and while a positive outcome may stunt the gold rally in the short term, longer term drivers remain intact.
- There was little activity on Tocom in the week to 11 October nor in the ETFs in the week to 14 October. Tocom fell a modest 18,236 oz, to 1.33 Moz, while the ETFs saw net inflows in non-US products. The SPDR fell 64,176 oz – marking its third week fall – while the UK ETFs added 59,854 oz and the Swiss Julius Baer added 59,000 oz.
- The gold price rose \$25/oz in the week to 11 October, to fix at \$1,663/oz. The price has since risen to trade above \$1,690/oz on 17 October.

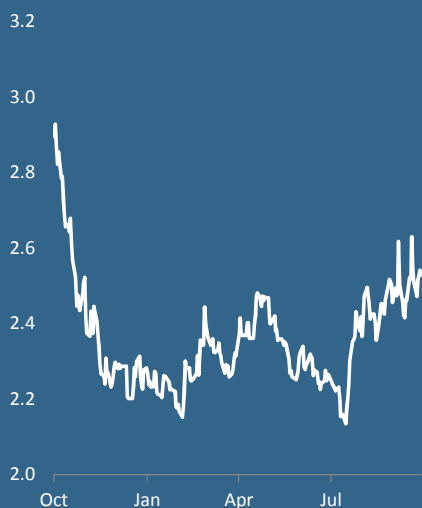
## Exchange gold investment, past 12 months, ounces



## Gold/silver ratio, past 12 months



## Platinum/palladium ratio, past 12 months



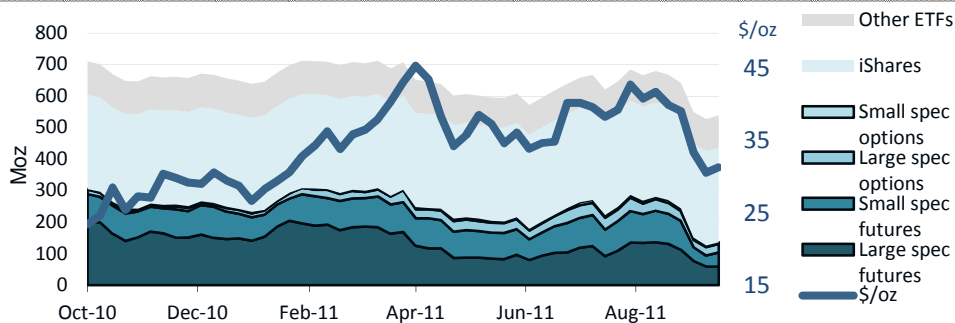
## Silver investment (ounces)

Comex	Open Interest	Large Specs	Small Specs	Options net long	Total
04-Oct-11	797,015,000	59,500,000	35,115,000	32,080,000	126,695,000
11-Oct-11	788,220,000	59,740,000	44,400,000	32,570,000	136,710,000
<b>Change</b>	<b>-8,795,000</b>	<b>240,000</b>	<b>9,285,000</b>	<b>490,000</b>	<b>10,015,000</b>

ETFs	Swiss/UK	US	Total ETFs	Other ETFs*	Silver price \$/oz (at end Comex date)
07-Oct-11	121,923,560	340,964,852	462,888,412	80,064,103	30.60
14-Oct-11	122,600,875	339,310,058	461,910,933	80,064,103	31.37
<b>Change</b>	<b>677,314</b>	<b>-1,654,794</b>	<b>-977,479</b>	<b>0</b>	<b>0.77</b>

\* Incl Claymore and Central Fund of Canada ETFs

Global total investment 678,685,036 Week change 9,037,521

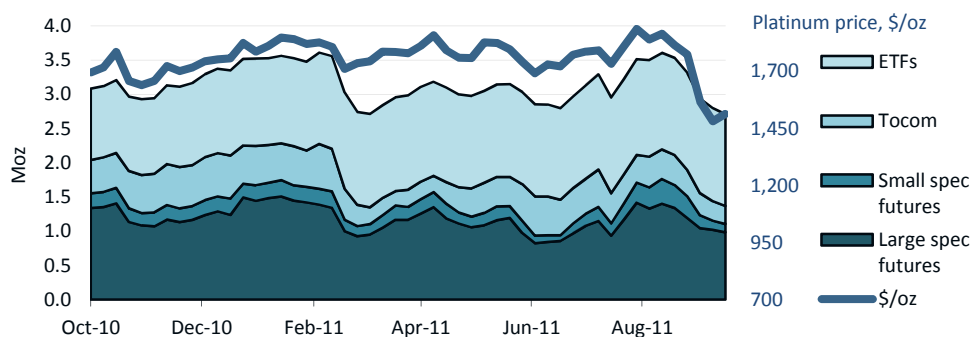


- The Comex silver net long position recovered slightly in the week to 11 October after four weeks' worth of heavy liquidation. The net long position rose 10.0 Moz, as longs rose 3.95 Moz and shorts fell 6.1 Moz.
- ETF holdings however fell. The large iShares product fell 1.65 Moz, which more than offset flows into the UK ETFs and Swiss Julius Baer.
- The silver price rose \$0.77/oz, to fix at \$31.37/oz on 11 October. It was last trading above \$32/oz on 17 October.

## Platinum investment (ounces)

Nymex	Open Interest	Large Specs	Small Specs	Total	Tocom
04-Oct-11	1,920,050	1,020,650	132,300	1,152,950	284,967
11-Oct-11	1,925,950	983,850	121,500	1,105,350	263,789
<b>Change</b>	<b>5,900</b>	<b>-36,800</b>	<b>-10,800</b>	<b>-47,600</b>	<b>-21,178</b>

ETFs	Swiss/UK	US	Total ETFs	Global total investment	Platinum price \$/oz (at end Nymex date)
07-Oct-11	923,498	425,443	1,348,942	2,786,858	1,481.00
14-Oct-11	913,148	425,443	1,338,591	2,707,730	1,514.00
<b>Change</b>	<b>-10,350</b>	<b>0</b>	<b>-10,350</b>	<b>-79,128</b>	<b>33</b>



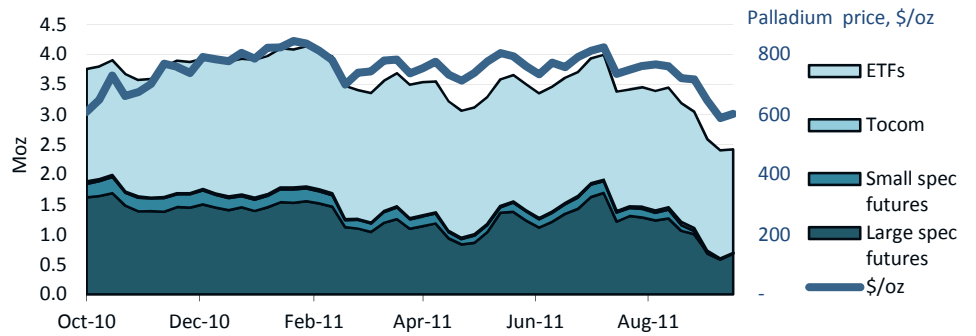
- Nymex platinum fell for the fifth straight week in the week ending 11 October, the largest over this period on record. Platinum net length has been cut by 0.66 Moz, or more than one-third, in the period five week period starting 6 September to 11 October. ETF activity has been equally bearish, with total holdings down for the fifth successive week in the week to 14 October. Much of the outflows have been in the US and UK products, while Swiss holdings have risen.
- The platinum price rose \$33/oz, to fix at \$1,514/oz on 11 October. Prices have since edged higher.

## Palladium investment (ounces)

Nymex	Open interest	Large Specs	Small Specs	Total	Tocom
04-Oct-11	1,951,600	619,400	(40,700)	578,700	19,483
11-Oct-11	1,906,700	695,300	(21,400)	673,900	14,902
<b>Change</b>	<b>-44,900</b>	<b>75,900</b>	<b>19,300</b>	<b>95,200</b>	<b>-4,581</b>

ETFs	Swiss/UK	US	Total ETFs	Global total investment	Palladium price \$/oz (at end Nymex date)
07-Oct-11	1,028,353	742,054	1,770,407	2,368,591	588.00
14-Oct-11	1,021,409	707,518	1,728,928	2,417,729	602.00
<b>Change</b>	<b>-6,943</b>	<b>-34,536</b>	<b>-41,480</b>	<b>49,139</b>	<b>14</b>



- The slight increase in palladium's net long position in the week to 11 October – the first in five weeks – implies that the fierce liquidation seen in the past several weeks may have come to an end. Including the 95,200 oz rise in net length in the week under review, palladium's net long position is down by more than half since early September.
- ETFs have also been brutally eroded, with holdings falling for the seventh straight week by 14 October. Indeed since the high in late February, holdings are down by more than a quarter.
- The palladium price rose \$14/oz, to fix at \$602/oz on 11 October. Prices have since edged higher in the morning of 17 October.

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