

Bloomberg Commodity Outlook

# Following Gold

- Gold, Commodities Foundation, Is Firming for Endurance in 2021
- What to Expect in Crude Oil: 2020 May Define Range for Years
- \$2,000 Gold, Liquidity Should Keep Metals Ahead of Equities
- Soybeans at \$13 May Limit Agriculture Sector Going for the Gold

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Data and outlook as of December 31, 2021

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[BI COMD](#) (the commodity dashboard)

*Note - Click on graphics to get to the Bloomberg terminal*

## Gold, Commodities Foundation, Is Firming for Endurance in 2021

Performance: December +5.0%, 2021 -3.1%, Spot +11.8%  
 (Returns are total return (TR) unless noted)

(Bloomberg Intelligence) -- Led by gold, we expect broad commodities to continue advancing in 2021 and view energy as the most vulnerable sector. It's a battle with the record-setting stock market, yet a key 2020 driver -- liquidity -- appears enduring and is historically more supportive of the metals. The gold advance of about 25% in 2020 was about the same as the broad U.S. money supply, and it beat the S&P 500 total return by about 5%. We see more of the same advancing metals prices in 2021, but copper, like the stock market, is entering the new year at relatively elevated levels. Agriculture is also at elevated reversion risk, with soybeans revisiting \$13 a bushel for the first time since 2014

## This Year's Commodities Take Cue From 2020 Gold.

Broad commodities have crossed the halfway threshold of the 2011-15 bear market, tilting prices toward further appreciation, in our view. A bottom line for a recovering commodity market is a peak dollar, but in a world of historically low and competing negative interest rates, we see advancing gold as a better proxy for currency weakness, and thus commodity strength. Our graphic depicts the Bloomberg Commodity Spot Index (BCOM) appearing well poised to simply follow gold in 2021. Some commodity back-and-fill, notably in elevated crude oil and copper prices, should be expected with a wobbly stock market, but the foundation for the BCOM from 2020 appears firm.

The highly negative dollar-correlated metals sector is poised to be a bull-market leader as accelerating decarbonization efforts increase demand.

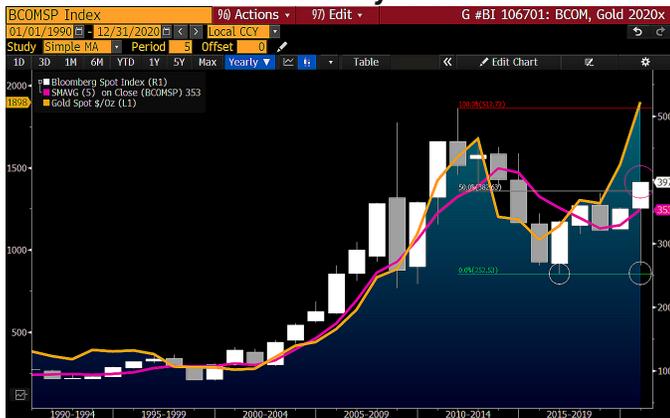
## Broad Commodities Golden Trajectory

**Commodities May Have Performance Advantage vs. Stocks in 2021.** With rising metal prices appearing as the most sustainable among commodities, we see the sector continuing to lead in 2021. Limited crude-oil upside that occurred before the pandemic is set to prevail, but the 2020 low should remain the bottom. Copper may be a bit too hot at the start of 2021, though appears poised to follow the 2020 gold lead to new highs.

## MACRO PERFORMANCE

**Gold, Copper May Continue to Outperform Equities.** A record-setting year for the S&P 500 that failed to outperform gold may be a precursor for more enduring results for the metal, in our view. Gold and copper atop the 2020 macroperformance scorecard with gains near 25% vs. about 18% for the S&P 500 total return may see more of the same in 2021. Increasing liquidity underpinnings support a fundamentally sound gold bull market and, unlike equities, the metal had a correction of about 15% in 2H; it may have simply refreshed the gold rally. Copper and the S&P 500 appear vulnerable to some similar back-and-fill.

## Commodities Cross the Recovery Rubicon



## 2021 Set for More 2020 Commodity Performance

Security	8YTD	Chg Dec.	Chg Jan.	Chg WTD	Pct	1Yr % Chg	2Yr % Chg
Generic 1st 'HG' Future	+25.8%	+2.4	+2.4%	-1.1%	+25.8%	33.8%	
Generic 1st 'GC' Future	+24.9%	+6.8	+6.8%	+9.8%	+24.9%	48.4%	
S&P 500 Total Return Index	+18.4%	+3.8	+3.8%	+1.45%	+18.4%	55.7%	
Russell 2000 Index	+18.4%	+8.5	+8.5%	-1.45%	+18.4%	46.4%	
MSCI Emerging Markets Net Total	+18.1%	+7.2	+7.2%	+2.81%	+18.1%	39.9%	
Bloomberg Barclays U.S. Treasu	+18.1%	-1.2	-1.2%	+4.7%	+18.1%	35.9%	
S&P 500 INDEX	+16.3%	+3.7	+3.7%	+1.43%	+16.3%	49.8%	
Bloomberg Commodity Spot Index	+11.8%	+5.2	+5.2%	+1.33%	+11.8%	23.4%	
MSCI World ex USA Net Total Re	+8.3%	+5.2	+5.2%	+1.88%	+8.3%	32.6%	
Broad Dollar Index	-2.1%	-1.1	-1.1%	+3.4%	-3.0%	-3.4%	
Bloomberg Commodity Index Total	-3.1%	+5.0	+5.0%	+1.34%	-3.1%	4.3%	
Bloomberg Dollar Spot	-5.4%	-2.1	-2.1%	-5.5%	-5.4%	-6.3%	
Generic 1st 'CL' Future	-20.7%	+6.8	+6.8%	+3.9%	-20.7%	6.6%	

In 2021, we expect an outcome similar to the 2020 scorecard to prevail -- metals to lead performers with crude oil falling behind. If stock market volatility continues to rise, precious metals stand to be a primary beneficiary.

## SECTOR PERFORMANCE

### Metals Poised for More of the Same in 2021.

Underpinnings appear more sustainable for metals in 2021 than agriculture, in our view. Both are primary sectors supported by a weak dollar, which we see best represented by advancing gold, but the ability for grain supply to swiftly recover in response to rising prices will act as more of an agriculture price headwind, based on historical data. This year should be a good test of the Corn Belt production machine and, absent adverse weather, we expect the trend in oversupply to prevail. Metals mining production is more constrained by longer lead times and increasing focus on ESG investing, which is putting constraints on supply.

### Metals Bull Market vs. Energy Bear

Security	%YTD	↓	Chg Dec.	1Yr % Chg	2Yr % Chg
Bloomberg Precious Metals Subi	+25.6%	█	+8.8%	+25.6%	47.0%
Bloomberg All Metals Total Ret	+20.9%	█	+4.5%	+20.9%	35.2%
Bloomberg Grains Subindex Tota	+19.3%	█	+11.9%	+19.3%	18.0%
Bloomberg Agriculture Subindex	+16.5%	█	+10.4%	+16.5%	18.5%
Bloomberg Industrial Metals Su	+16.3%	█	+3%	+16.3%	24.5%
BBG Softs TR	+2.9%	█	+6.1%	+2.9%	7.3%
Bloomberg Livestock Subindex T	-23.4%	█	+2.1%	-23.4%	-28.0%
Bloomberg Energy Subindex Tota	-42.7%	█	-7%	-42.7%	-36.0%

The 2020 scorecard graphic, showing metals on the top and energy on the bottom, is more likely to see some form of mirroring in 2021, in our view.

## Curve Analysis - Contango (-) | Backwardation (+)

Name	Current Position	1 Yr Ago	1 Yr Change	YTD Change	MTD Change
▼ 1 Year Spread % of First Contract					
▶ BCOM	0.9	-2.3	3.3	3.4	1.2
▼ Sector					
▶ Agriculture	4.5	-5.5	10.0	10.1	2.7
▶ Energy	-0.1	3.6	-3.6	-3.5	1.5
▶ Industrial Metals	-0.8	-1.3	0.5	0.5	-0.1
▶ Precious Metals	-1.1	-2.2	1.1	1.1	0.2
▶ Livestock	-2.9	2.2	-5.1	-4.4	-3.2
▼ Single Commodities					
Soybean Meal	16.4	-4.8	21.3	21.1	5.0
Soybean	15.4	-4.3	19.7	19.4	4.4
Thermal Coal	15.3	12.2	3.1	3.1	2.1
Soybean Oil	10.6	-3.2	13.8	13.7	2.9
Corn	7.5	-6.1	13.7	13.6	4.7
Sugar	7.1	-6.7	13.7	14.2	1.1
Unleaded Gas	4.9	7.5	-2.6	-1.7	6.2
Cotton	3.2	-2.3	5.5	5.7	3.4
Brent Crude	2.3	8.7	-6.4	-6.5	2.6
Crude Oil	2.2	8.8	-6.6	-6.7	1.9
Palladium	0.5	1.2	-0.7	-0.6	0.9
Copper (LME)	0.2	-0.7	0.9	0.9	0.1
Copper (CME)	-0.1	-1.0	1.0	1.1	0.6
Wheat	-0.1	-4.9	4.8	4.8	3.2
Gold	-1.0	-2.1	1.1	1.1	0.1
Platinum	-1.2	-2.0	0.8	0.6	0.0
Silver	-1.3	-2.4	1.1	1.1	0.4
Nickel	-1.3	-1.7	0.5	0.5	-0.3
Aluminum	-1.4	-4.6	3.2	3.2	-0.4
Zinc	-1.6	1.4	-3.0	-3.1	-0.4
Lean Hogs	-1.7	-0.2	-1.5	-0.5	-6.2
Heating Oil	-3.1	3.7	-6.8	-7.4	3.0
HRW Wheat	-3.2	-9.1	5.9	5.4	1.4
Gas Oil	-3.2	5.7	-8.9	-8.8	3.9
Live Cattle	-4.1	4.5	-8.7	-8.2	-0.2
Coffee	-6.4	-7.7	1.3	1.6	0.9
Natural Gas	-18.9	-21.8	2.9	3.3	-9.6

Measured via the one-year futures spread as a percent of the first contract price. Negative means the one-year out future is higher (contango). Positive means the one-year out future is lower (backwardation).

# Energy

(Index weight: 19% of BCOM)  
 Performance: December -0.7%, 2021 -42.7%, Spot -11.2%

## Energy Settling Into a Bears Den

**What to Expect in Crude Oil: 2020 May Define Range for Years.** The 2020 Brent crude-oil high around \$70 a barrel and low about \$20 may cage prices for a long time, in our view. Unlike macroeconomic partner copper, time decay is unfavorable for fossil-fuel prices. Bearish pre-pandemic conditions are unlikely to reverse, with demand elasticity diminishing vs. the opposite dynamic in supply.

**Unfavorable Oil Demand vs. Supply Before 2020.** Slack crude-oil consumption vs. robust production trends in place before the pandemic are more likely to prevail, keeping prices subdued for an extended period, in our view. Recent downward revisions in demand-recovery estimates are consistent with diminishing use before 2020. Our graphic depicts consumption of world crude oil and liquid fuels peaking in 2015 vs. the five-year moving average. It's significant that despite Brent's plunge to about \$40 a barrel in 2015 from \$110 in 2014, demand showed negative elasticity.

### 2020 Brent \$20-\$70 Range May Hold for Years

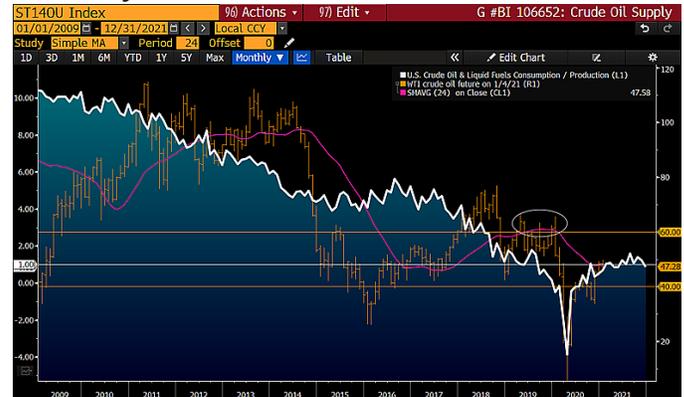


With a global shift toward decarbonization, it's unlikely that demand elasticity for fossil fuels will shift upward despite 2020's roughly one-third decrease in the average oil price. About \$50 Brent on Dec. 22 appears at greater risk of marking 2021's upper bound.

**WTI Crude Oil Tilted Toward \$40, Not \$60.** West Texas Intermediate crude oil at just under \$50 a barrel near the end of December is at greater risk of heading toward \$40 and not sustaining above \$60 in 2021, in our view. It took the pandemic and lower prices to suppress U.S. production, but returning to normal leaves us with a bear market. Our graphic depicts the predominant trend that has pressured global fossil fuel prices since the financial crisis: A reversal from the U.S. consuming 10 million net barrels of fuel a day in 2009 vs. a surplus of 4 million barrels in 2020.

# Bloomberg

## Unfriendly Trends for Crude-Oil Prices



The greater likelihood that rapidly advancing technology and demographic trends will simply stay the course should keep a lid on WTI prices. WTI crude near \$50 at the start of 2021 appears similarly vulnerable as just above \$60 at the start of 2020.

**Normal Backwardation Means Plenty of Oil Supply.** The 2020 Bloomberg Energy Spot Subindex decline of about 11% vs. its total return closer to minus 43% emphasizes the nuances of commodity investing that tilt performance favor toward the metals, in our view. One-year crude-oil futures curves are in backwardation, but rolling on a shorter-term basis more often into contango can pressure total returns. Spot natural gas up almost 30% in 2020 is approaching good resistance at around \$3 per million BTUs, which should limit further upside.

### 2021 Energy May Have Limited Recovery Potential

Security	%YTD	Chg Dec.	Chg QTD	1Yr % Chg	2Yr % Chg
BBG Energy Spot	-11.2%	--	+13.2%	-11.2%	-1.0%
Bloomberg Unleaded Gasoline Su	-30.9%	+11.9%	+21.0%	-30.9%	-1.1%
Bloomberg Brent Crude Subindex	-31.5%	+8.0%	+19.4%	-31.5%	-7.2%
Bloomberg Heating Oil Subindex	-38.3%	+7.6%	+25.6%	-38.3%	-23.1%
Bloomberg Petroleum Subindex T	-40.3%	+7.8%	+20.1%	-40.3%	-20.1%
Bloomberg Natural Gas Subindex	-42.0%	-12.9%	-18.8%	-42.0%	-63.6%
Bloomberg Energy Subindex Tota	-42.7%	-7.7%	+2.2%	-42.7%	-36.0%
Bloomberg WTI Crude Oil Subind	-50.7%	+6.5%	+18.2%	-50.7%	-33.7%

Backwardation is the condition when further out futures trade at lower prices. Typically it's a sign of demand, but backwardation in crude oil has become more synonymous with producer hedging. Energy is the most expensive sector to store, which often pressures total returns, notably vs. the cheapest-to-store metals.

**A Friendly Trend: Copper Climbing vs. Crude.** A pre-pandemic trend in commodities with strengthening underpinnings -- the price of copper advancing vs. crude oil -- is on a path we expect to continue. Our graphic depicts the ratio of LME-traded copper vs. Brent crude pulling back toward the end of 2020 from the high in our database since 1997. A top reason this trend should stay in place is U.S.

liquid-fuel production running well in excess of demand. Rapidly advancing technology is hitting both sides of fossil fuels -- reducing demand and increasing supply.

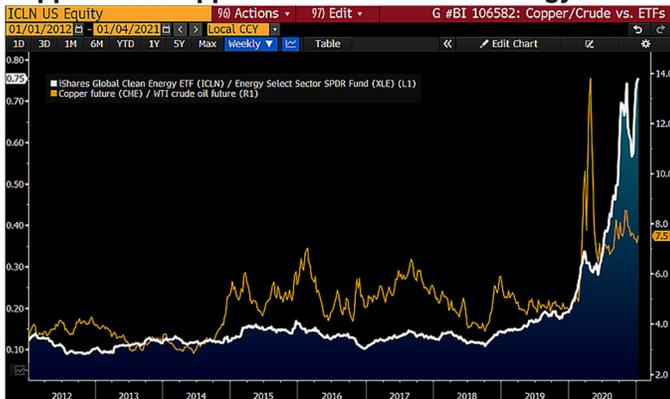
**2020 Copper/Crude Leap Gaining Legs**



Copper demand is a primary beneficiary of greater decarbonization and electrification efforts. In the unlikely event that these trends subside, copper may underperform crude, but we believe acceleration is more likely due to a new U.S. president and an increasing global focus on ESG.

**Following the Money Favors Copper, Not Oil.** Increasing inflows and price appreciation in clean-energy exchange-traded funds vs. generally the opposite in ETFs tracking old-guard energy companies may signal a paradigm shift of enduring tailwinds for the price of copper and headwinds for crude oil. Our graphic depicts the copper-to-crude price ratio appearing relatively low next to the ratio of the iShares Global Clean Energy ETF (ICLN) to the Energy Select Sector SPDR Fund (XLE). Declining investment in fossil-fuel production has been noted by some as a reason for crude prices to rise, but we see it as simply prudent amid the significant global push for decarbonization.

**Copper/Crude Appears too Low vs. Clean Energy**



On pace to approach 15% in the next few years, corn-based ethanol was a small percentage of total U.S. gasoline consumption about a decade ago.

**Gold/Crude Ratio Near Key 'Prove It Wrong' Level**

Enduring trends in increasing levels of negative yielding debt, quantitative easing and debt-to-GDP vs. the accelerating process of technology replacing fossil fuels support gold price appreciation vs. crude oil, in our view. Fundamentals and technical indicators are favorable for more of the same since the financial crisis. Our graphic depicts the gold-to-Brent crude ratio dipping below its upward-sloping 50-week moving average for the first time in about two years. This macroeconomic-related spread of the world's most significant commodity and quasi-currency has returned to a key "prove the trend wrong" level.

**Friendly Trends Favor Higher Gold vs. Crude Oil**



The last time the gold-to-crude price ratio sustained a meaningful downtrend was 2016-18 when the Federal Reserve was raising rates. A return to similar seems quite distant.

**Crude Oil: Bear, Bull or Lower Plateau?** Brent crude oil approaching \$50 a barrel at the start of December appears as vulnerable as it did near \$70 in 2019, in our view. The annual trend, as defined by the 50-week moving average, turned downward in 2018. Buyers above this level haven't fared well since. Our graphic depicts Brent peeking above its annual mean and bumping into its most widely traded level and pivot since dropping from above \$100 in 2014. Sustaining above \$50 is necessary to initially indicate strength. Probabilities appear tilted toward mean reversion.

**\$50 Brent Appears as Vulnerable as \$70 in 2019**



The 50-week average on December is about \$43 vs. the front future of \$49. Brent was at similar levels in 2016 when it began its recovery to the 2018 peak at about \$86. That was a bear market bounce. The bell curve of trading could be in a \$40-\$50 range for the foreseeable future.

## PERFORMANCE DRIVERS

### Front Energy Futures

Ticker	Last	%YTD	%MTD	Chg QTD	1 Yr	2 Yrs	%1YR	Change
				%	Ago	Ago		2 Year
								Percent
Generic 1st 'NG' Future	2.5c	+16.4%	-11.6%	+8%	2.2	2.9	+16.4%	-13.4%
Generic 1st 'XB' Future	s140.8	-17.0%	+12.8%	+17.3%	169.8	132.4	-17.0%	6.4%
Generic 1st 'CL' Future	48.4c	-20.7%	+6.8%	+20.4%	61.1	45.4	-20.7%	6.6%
Generic 1st 'CO' Future	s51.8c	-21.5%	+8.8%	+26.5%	66.0	53.8	-21.5%	-3.7%
Generic 1st 'HO' Future	s147.6	-27.2%	+8.9%	+28.9%	202.8	168.1	-27.2%	-12.2%

## Market Flows - Commitment of Traders

Name	Current	MTD % Change	3 Mth % Change	YTD % Change
▼ Open Interest (Aggregate - 1,000s)				
▼ Single Commodities				
Soybean	897	-5.9	-8.8	25.5
Corn	1,722	3.2	13.7	16.6
Aluminum	577	1.1	-6.2	11.6
Zinc	166	-4.1	12.2	11.4
Unlead Gas	420	6.3	17.0	10.5
Sugar	1,052	-2.8	8.2	6.1
Gas Oil	934	-0.6	-0.4	4.0
Copper (LME)	196	2.1	2.1	3.7
Cotton	224	1.8	0.9	0.5
Crude Oil	2,122	0.0	2.1	-0.6
Soybean Meal	418	0.2	-4.6	-3.2
Brent Crude	2,466	3.6	4.2	-3.6
Wheat	390	-3.5	2.4	-4.7
Coffee	258	1.2	-7.2	-7.2
Soybean Oil	467	-2.3	-0.9	-7.5
Copper (CME)	247	4.2	4.7	-8.2
Natural Gas	1,162	-3.8	-8.1	-9.0
Nickel	159	-2.5	7.4	-12.6
Heating Oil	357	-4.8	-16.6	-18.1
HRW Wheat	216	0.9	-3.1	-19.7
Live Cattle	291	5.8	-4.3	-23.4
Silver	170	11.1	8.3	-25.1
Gold	556	2.0	-1.1	-28.0
Lean Hogs	189	-5.5	-17.5	-32.7
Platinum	59	5.4	5.4	-39.8
Palladium	9	-10.0	0.0	-62.5

## Metals

**All** (Index weight: 40% of BCOM)

Performance: December +4.5%, 2021 +20.9%

**Industrial** (Index weight: 19.0% of BCOM)

Performance: December +0.3%, 2021 +16.3%, Spot +19.2%

**Precious** (Index weight: 16.1% of BCOM)

Performance: December +8.8%, 2021 +25.6%, Spot +29.4%

### Metals Set to Take 2021 Gold

**\$2,000 Gold, Liquidity Should Keep Metals Ahead of Equities.** Underpinnings for outperforming metals in 2020 appear sustainable in 2021, in our view. The unlikelihood of reversing the unprecedented global fiscal and monetary stimulus that helped boost gold and copper about 25% in 2020 -- vs. less than 20% for the S&P 500 -- should keep the metals atop the leader board.

**Metals' 2020 Upper Hand Appears Sustainable.** Copper is overdue for some back-and-fill, but the broad metals sector is set to simply stay its bull-market course, in our view. In 2020, the Bloomberg All Metals Total Return Index gained almost 21%, which beat the record-setting S&P 500 by about 3%. Massive liquidity has been a primary fuel source for advancing asset prices, so the key question in 2021 is sustainability. Our bias is that the greater potential for quantitative easing (QE) and debt-to-GDP levels to keep rising should keep metals prices -- notably gold and silver -- going up. The graphic shows the metals index crossing above the halfway threshold of the 2011-15 bear market.

### Metals Sector Set to Follow Rising Gold



A top shorter-term metals risk is a drop in the stock market, but the potential for lower equities to result in more QE and rising debt levels should favor the metals.

**Not Beating Gold Means Underperforming.** Gold may gain increasing reference as the performance benchmark to beat. In a year when the U.S. money supply increased about 25%, a similar advance in the price of gold was expected. Our graphic depicts the total returns of the S&P 500 and Bloomberg Barclays U.S. Treasury 20+ both falling short of spot gold in 2020 by about 5%, and we see little to reverse the trend in 2021. If stock-market volatility keeps climbing and past patterns repeat, gold stands to be a primary beneficiary.

### Gold May Continue Beating U.S. Stocks, Bonds



In an investment landscape increasingly dominated by how low -- or negative -- central banks will set base rates, along with rising debt-to-GDP and QE, we see the foundation solidifying under the price of gold. Resistance at about \$2,000 an ounce in 2020 is set to transition to support in 2021.

**Silver Well Placed to Continue Shining in 2021.** Silver is poised to keep outperforming in 2021 as it did in 2020, in our view. Often referred to as leveraged gold, silver's unique attribute as being about half precious and half industrial should keep it a top beneficiary of a favorable macroeconomic backdrop. Fundamental and technical underpinnings are strong, on the back of the multiyear price decline and rapidly advancing technology increasing demand for one of the best conductors of electricity. New highs for gold in 2020 should mean it's a matter of time for similar moves in silver and most other metals.

### Metals Set to Build on 2020 Foundation

Security	%YTD	Chg Dec.	Chg QTD	1Yr % Chg	2Yr % Chg
Bloomberg Silver Subindex Tota	+42.5%	+16.9%	+11.8%	+42.5%	62.2%
Bloomberg Precious Metals Subi	+25.6%	+8.8%	+2.4%	+25.6%	47.0%
Bloomberg Copper Subindex Tota	+23.3%	+2.4%	+15.8%	+23.3%	32.3%
Bloomberg Gold Subindex Total	+20.9%	+6.4%	-4%	+20.9%	42.7%
Bloomberg All Metals Total Ret	+20.9%	+4.5%	+7.9%	+20.9%	35.2%
Bloomberg Zinc Subindex Total	+18.6%	-1.7%	+13.6%	+18.6%	17.2%
Bloomberg Nickel Subindex Tota	+16.6%	+3.5%	+14.1%	+16.6%	54.6%
Bloomberg Industrial Metals Su	+16.3%	+3%	+14.2%	+16.3%	24.5%
Bloomberg Aluminum Subindex To	+3.9%	-3.6%	+12.0%	+3.9%	.0%
Broad Dollar Index	-2.1%	-1.1%	-4.3%	-3.0%	-3.4%

Mean-reversion risks in elevated copper and equity prices may rhyme with 1Q20, which could instill some caution at the onset of 2021. But the bigger picture for metals appears more likely to build on the foundation of 2020.

**Silver Underpinnings Stronger Than Post-2008.** Annual technical indicators for silver are akin to those during turns higher at the start of the new millennium and following 2008. We see the metal following a similar trajectory as the aftermath of the financial crisis toward \$50 an ounce, but with greater potential for staying power on a path paved by gold. Silver has breached \$20 resistance that caged the market since 2013 in a bullish outside-range, up-year pattern. There's a good chance that the 2020 low at about \$12 will be as enduring as about \$8.50 from 2008, which hasn't traded since.

**Silver's Road to \$50 May Be Paved by Gold**



The 2008 launchpad peaked in 2011 with silver matching the 1980 high at about \$50. Underpinnings are firmer this time, as evidenced by the five-year moving average recently turning upward. A risk-off event like 1Q should find good silver support at around \$20.

**Gold Fundamentals and Technicals Tilted Favorably.** Gold appears too cold nearing the end of 2020, if previous patterns surrounding quantitative easing and debt-to-GDP are a guide. Our graphic depicts favorable fundamental and technical underpinnings for the store-of-value. U.S. debt-to-GDP has crossed the 130% threshold, a post-war high, while G4 central-bank balance sheets as a percentage of GDP have reached an all-time apex of about 54%. Unless an unlikely scenario unfolds in which these measures sustain declines, it should be hard for gold to do anything but appreciate, particularly when the metal is in close proximity to its upward-sloping 12-month moving average.

**Vaccine Optimism vs. Gold-Bull Realism**



The March risk-off swoon was the last time gold kissed its annual mean and it proved to be good support. Conditions are in place for more of the same in 2021, in our view.

**Is Copper Indicating It's Different this Time?**

Copper prices may be showing a bit of irrational macroeconomic exuberance at the start of December, if previous trends repeat. Our graphic shows the metal stretched about 30% above its 50-week moving average, the most since the CME-traded copper future hit an all-time peak of about \$4.64 a pound in February 2011. A new bull market appears to be brewing in the metal, but history indicates mean-reversion risks are quite extreme. About the same as nine years ago, the U.S. Treasury long bond topped out about 4.7%, vs. closer to 1.7% on Dec. 4.

**Copper and Too Much Post-Pandemic Optimism?**



In May 2011, the S&P 500 peaked at about 1,360 before shedding about 20% to its October low. European debt issues and aftershocks from the financial crisis were predominant in 2011 and may be a guide for post-pandemic optimism near the start of 2021.

**A Bull Market in Little Hurry - Nickel.** The nickel 50-week moving average crossing above the most widely traded price of the past 10 years -- \$13,700 -- toward the end of 2020 is an indication of a solidifying bull-market base for 2021. Our graphic depicts an increasing potential that the 2020 correction was a final gasp of the bear market. Sustaining above the halfway mark of the 2011-16 decline of about \$18,500 a ton would indicate taking the next step of a

recovery. Approaching the upper end of its range since 2012, nickel is bumping into a good resistance zone from about the Dec. 15 price of \$17,700 to the halfway mark.

**Nickel Set to Follow Industrial Metals Index**



A risk-off volatility event such as 1H20 may revisit \$14,000, which is now key support. Sustaining below this level would indicate recovery failure. The more likely case in 2021, we believe, is an advance to the 2014 peak near \$20,000.

**Individual Commodities Front Future Change**

Name	MTD % Change	3 Mth % Change	YTD % Change	1 Yr % Change	2 Yr % Change
▼ BCOM Single Commodity Price					
Silver	17.4	12.9	48.0	48.0	70.7
Soybean Meal	9.9	25.2	40.8	40.8	38.5
Soybeans	12.1	28.0	37.1	37.1	46.4
Palladium	2.1	5.4	28.6	28.6	105.1
Copper (LME)	2.4	16.2	26.0	26.0	30.2
Copper (CME)	2.4	16.1	25.8	25.8	33.8
Corn	14.0	28.2	25.3	25.3	29.5
Gold	6.8	0.3	24.9	24.9	48.4
HRW Wheat	10.7	18.8	24.6	24.6	23.9
Soybean Oil	13.2	28.1	22.1	22.1	52.4
Zinc	-1.6	14.3	19.8	19.8	10.1
Nickel	3.6	14.4	18.6	18.6	56.0
Natural Gas	-11.6	0.8	16.4	16.4	-13.4
Sugar	6.8	14.7	15.4	15.4	28.8
Wheat	9.7	11.0	14.9	14.9	27.5
Cotton	8.3	18.7	13.1	13.1	8.2
Aluminum	-3.1	13.8	10.6	10.6	8.6
Platinum	11.8	18.7	10.4	10.4	34.8
Coffee	4.0	15.6	-1.1	-1.1	25.9
Lean Hogs	2.6	11.5	-1.5	-1.5	15.4
Live Cattle	2.0	2.5	-8.6	-8.6	-7.1
Gasoline	13.0	17.5	-16.9	-16.9	6.6
WTI Crude	6.8	20.4	-20.7	-20.7	6.6
Brent Crude	8.8	26.5	-21.5	-21.5	-3.7
Heating Oil	9.5	29.6	-26.8	-26.8	-11.7
Gas Oil	8.7	27.7	-31.5	-31.5	-17.7

## Agriculture

(Index weight: 35% of BCOM)

Performance: December +10.4%, 2021 +16.5, Spot +23.6%

**Grains** (Index Weight: 24% of BCOM)

Performance: December +11.9%, 2021 +19.3%, Spot +27.2%

**Softs** (Weight: 6% of BCOM)

Performance: December +6.1%, 2021 +2.9%, Spot +8.2%

### Agriculture Bull May Need Some Rest

**Soybeans at \$13 May Limit Agriculture Sector Going for the Gold.** Agriculture prices appear to have bottomed and the dollar peaked in 2020, but risks may be tilted toward some ag back-and-fill at the onset of 2021. Rising U.S. exports are a primary tailwind for the grains, which dominate the Bloomberg Agriculture Subindex. In a zero-interest-rate world, ag prices may follow a path paved by gold.

**Agriculture May Back-and-Fill Into 2021.** The best year for the Bloomberg Agriculture Spot Subindex in about a decade, up almost 20% to Dec. 23, portends the end of the bear market, but price headwinds are strengthening at the start of 2021, if previous patterns repeat. Comprising about 40% of the subindex, soybeans, oil and meal dominate agriculture, and the benchmark future may indicate limited upside for the sector. Our graphic depicts the significance of \$13-a-bushel soybeans, about the halfway mark to the 2019 trough from 2012's peak. At about \$13.11 on Dec. 31, U.S. farmers may be the most profitable since 2012, while the price is the most stretched above its 50-week mean since January 2011.

### Bull Markets are Supposed to Get Over Heated



Soybeans are global and U.S. exports -- notably to China -- are a primary price tailwind, but as the graphic shows, pullbacks following strong years are quite common.

**New Corn Cage Is Likely \$4-\$5.** The world's most significant grain in terms of the dollar value of production -- corn -- is likely turning what was \$4-a-bushel resistance into support, but we see limited upside above \$5, at least in the near term. Increasingly linked to energy, our graphic depicts a primary headwind for the U.S. benchmark future, as ethanol futures appear in a more-prolonged slump amid a potential paradigm shift toward less driving and more working from home.

### Corn Problem - Declining Ethanol Demand



The need for producers to hedge suggest that corn's price around \$4.50 at the end of 2020 -- the most extended above its 12-month moving average since the 2019 peak -- should have limited further upside.

**Rocking Soybeans May Share With Corn, Wheat.** The best year since 2010 for the Bloomberg Grains Spot Subindex in 2020 is part of a nascent bull market, in our view, but higher prices should encourage plenty of supply in 2021, limiting further upside potential. Unless growing conditions are generally adverse, the largest-ever crop may be in the cards, notably as U.S. producers haven't had this much price incentive in about seven years. Relatively elevated soybean prices should attract planting acres, thus the 30% 2020 gain in the Bloomberg Soybeans Subindex Total Return may give way some to corn or wheat in 2021.

### 2020, The Best Year for Gains in a Decade

Security	%YTD	Chg Dec	Chg QTD	Pct	1Yr %	2Yr %
BBG Soybean Meal TR	+32.3%	+9.5%	+25.7%	+32.3%	23.7%	
Bloomberg Soybeans Subindex To	+32.2%	+11.7%	+27.4%	+32.2%	31.4%	
Bloomberg Grains Spot Subindex	+27.2%	+12.0%	+23.7%	+27.2%	34.5%	
Bloomberg Grains Subindex Tota	+19.3%	+11.9%	+22.2%	+19.3%	18.0%	
Bloomberg Agriculture Subindex	+16.5%	+10.4%	+21.4%	+16.5%	18.5%	
Bloomberg Soybean Oil Subindex	+16.0%	+13.6%	+28.4%	+16.0%	39.1%	
Bloomberg Kansas Wheat Subinde	+14.3%	+10.3%	+16.7%	+14.3%	3.3%	
Bloomberg Corn Subindex Total	+12.9%	+13.6%	+25.2%	+12.9%	7.1%	
Bloomberg Sugar Subindex Total	+10.6%	+6.8%	+14.7%	+10.6%	12.7%	
Bloomberg Wheat Subindex Total	+10.3%	+9.5%	+9.4%	+10.3%	20.6%	
Bloomberg Cotton Subindex Tota	+10.0%	+8.3%	+15.7%	+10.0%	2.9%	
BBG Softs TR	+2.9%	+6.1%	+14.3%	+2.9%	7.3%	

Overdue for a subpar weather year, potentially akin to 2012, 2021 should be a good test of the great Corn Belt production machine. Despite plenty of supply in Brazil and Argentina, demand has been stronger, which -- along with a peak dollar -- boosts prices.

**Soybeans Likely Ripen Toward \$10-\$13 Range in 2021: BI Commodity.** The enduring soybean bear market appears over, but we see prices limited at around \$13-a-bushel resistance in 2021 while the old ceiling of about \$10 appears to be pivoting to support. U.S. exports breaching the 50% threshold of production appears sustainable, notably if the dollar declines. Peaking global stocks-to-use are akin to 2006. A late start to the 2021 Southern Hemisphere crop is price supportive, especially during the typically price-favorable period until the U.S. growing season starts in May. Strong production in Brazil and Argentina -- and their weakening currencies -- are primary headwinds. A rollover in crude oil or a recovery in the greenback are key soybean price-recovery risks as China demand appears enduring.

**Soybeans Moving on From U.S.-China Export Blip.** The rise in U.S. soybean exports as a percentage of production is a strong price tailwind. Market rebalancing appears to be in force as production stabilizes, after unfavorable weather in 2019 and lower prices. There's no precedent for the U.S. exporting more than half its crop, yet that threshold has been breached despite an elevated dollar. The divergence in increasing exports and decreasing prices is the most extreme since the 1980s. Back then, exports averaged about 39% of production vs. 53% in 2020.

**Low Prices, China Keeping U.S. Exports Strong**



Among most USDA-derived data, our calculation of the percentage of U.S. production that's exported (.EXUSSOY% G Index <GO>) tops the list of positive correlations to soybean prices at 0.50 (over the past 20 years, measured annually), about the same vs. corn.

**Low Prices May Have Planted Corn in a \$4-\$5 Range: BI Commodity.** Corn, the world's most significant agriculture commodity, is on path to recovery following an enduring period of moribund prices, in our view. Futures in backwardation reflect increasing demand, notably for U.S. exports that appear to be offsetting a decline in ethanol use. Biofuel production is likely to get a boost from the Biden administration as the Trump era of paying farmers to produce and U.S.-China trade tensions may mark an enduring price low. The price recovery should boost Corn Belt supply in 2021, which adds headwinds above \$5 a bushel resistance, but \$4 appears in transition to support. The trend in favorable weather patterns is historically extended.

**Stocks-to-Use May Have Peaked, Supporting Corn.** Corn prices have greater potential to recover as U.S. stockpiles appear to have peaked vs. production, in our view. The graphic depicts what has been elevated stocks-to-use since about 2014 and the inverse relationship to prices. Around 11% at the end of November compares with closer to 14% a year ago. The stocks' 12-month average appears to be resuming its downward track from the 16-year peak in 2018, which may be an enduring high. Low prices may have finally cured the bear market.

**Corn Price Tailwind - Peaking Stockpiles**



It's notable that the Corn Belt hasn't had a severely dry year since 2012. Adverse weather typically affects production about every seven years. The U.S. is the world's largest producer and exporter of corn.

**Corn in Backwardation as Demand Tops Supply.** The corn future one-year curve at about 2% in backwardation on Dec. 9, vs. closer to 8% contango a year ago, indicates demand exceeding supply and an overall price recovery, based on normal trends. Our graphic, emphasizing 52-week moving averages, shows the upward-trending futures curve appearing to lead the same measure of the front corn price. In 2010, the recovery was more simultaneous, which may indicate catch-up room for spot futures. The backwardation trend in corn is another indication that what was resistance at around \$4 a bushel in the front future is transitioning toward support.

### Corn May Be Transitioning \$4 Into Support



Backwardation is the condition when the price of the front future exceeds the back. Expensive-to-store corn is typically in contango, thus backwardation is a rare indication of demand exceeding supply.

### Index Performance (as of December 31)

Name		1	3	YTD	1	2
		Mth %	Mth %	% Change	Yr %	Yr %
		Change	Change		Change	Change
<b>Commodities</b>						
▼ BCOM Index TR	019	5.0	10.2	-3.1	-3.1	4.3
▶ Energy Index	10-	-0.7	2.2	-42.7	-42.7	-36.0
▼ All Metals Index	-14	4.5	7.9	20.9	20.9	35.2
▶ Industrial Metals Index	-10	0.3	14.2	16.3	16.3	24.5
▶ Precious Metals Index	-18	8.8	2.4	25.6	25.6	47.0
▼ Ags & Livestock Index	139	9.3	18.6	9.4	9.4	9.8
▶ Livestock Index	112	2.1	2.4	-23.4	-23.4	-28.0
▼ Agriculture Index	133	10.4	21.4	16.5	16.5	18.5
▶ Grains Index	141	11.9	22.2	19.3	19.3	18.0
▶ Softs Index	126	6.1	14.3	2.9	2.9	7.3
▶ BCOM EX Indices TR						
▶ BCOM Index Roll Select TR	014	4.9	9.1	1.4	1.4	7.6
▶ BCOM Index Forwards TR						
▶ BCOM Index ER	019	5.0	10.2	-3.5	-3.5	1.7
▶ BCOM Index Spot	019	5.2	13.7	11.8	11.8	23.4
<b>Stocks</b>						
▶ S&P 500 Index TR	013	3.8	12.1	18.4	18.4	55.7
<b>Bonds</b>						
▶ Barclays U.S. Aggregate	000	0.1	0.7	7.5	7.5	16.9
<b>Currencies</b>						
▶ Bloomberg U.S. Dollar Spot Index	0--	-2.1	-4.8	-5.4	-5.4	-6.3
US Dollar Index	0--	-2.1	-4.2	-6.7	-6.7	-6.5
US Trade Weighted Broad Dollar	---	-2.0	-2.6	0.0	0.0	7.5

# PERFORMANCE: Bloomberg Commodity Indices

## Composite Indices

\* Click hyperlinks to open in Bloomberg

Index Name	Ticker	2020									
		Dec	YTD	1-Year	3-Year	5-Year	10-Year	20-Year	30-Year	40-Year	50-Year
Bloomberg Commodity ER	<a href="#">BCOM</a>	4.97%	-3.50%	-3.50%	-11.47%	-0.64%	-51.93%	-31.90%	-24.00%	-43.93%	322.94%
Bloomberg Commodity TR	<a href="#">BCOMTR</a>	4.97%	-3.12%	-3.12%	-7.41%	5.25%	-48.93%	-9.89%	62.31%	184.87%	4217.09%
Bloomberg Commodity Spot	<a href="#">BCOMSP</a>	5.21%	11.83%	11.83%	10.41%	46.24%	-13.81%	198.56%	286.38%	209.65%	1854.13%
Bloomberg Roll Select	<a href="#">BCOMRST</a>	4.86%	1.44%	1.44%	-4.95%	12.85%	-39.47%	107.97%			
1 Month Forward	<a href="#">BCOMF1T</a>	5.35%	0.72%	0.72%	-2.70%	12.73%	-40.84%	59.26%			
2 Month Forward	<a href="#">BCOMF2T</a>	5.11%	2.32%	2.32%	1.65%	19.41%	-38.57%	105.05%			
3 Month Forward	<a href="#">BCOMF3T</a>	5.58%	3.48%	3.48%	1.73%	19.92%	-35.76%	123.87%			
4 Month Forward	<a href="#">BCOMF4T</a>	5.39%	5.29%	5.29%	3.14%	25.01%	-30.15%				
5 Month Forward	<a href="#">BCOMF5T</a>	5.47%	6.36%	6.36%	5.33%	27.86%	-28.33%				
6 Month Forward	<a href="#">BCOMF6T</a>	4.47%	5.97%	5.97%	4.99%	27.98%	-27.73%	188.26%			
Energy	<a href="#">BCOMENTR</a>	-0.66%	-42.72%	-42.72%	-44.10%	-37.81%	-81.52%	-87.32%	-59.44%		
Petroleum	<a href="#">BCOMPETR</a>	7.78%	-40.30%	-40.30%	-35.49%	-17.15%	-69.43%	-33.70%			
Agriculture	<a href="#">BCOMAGTR</a>	10.42%	16.48%	16.48%	5.70%	-4.01%	-43.86%	-5.93%	1.61%	16.34%	1340.50%
Grains	<a href="#">BCOMGRTR</a>	11.86%	19.32%	19.32%	11.50%	-6.92%	-42.82%	-18.26%	-26.04%	-29.33%	383.97%
Industrial Metals	<a href="#">BCOMINTR</a>	0.31%	16.33%	16.33%	0.21%	55.44%	-30.26%	135.53%			
Precious Metals	<a href="#">BCOMPRTTR</a>	8.85%	25.60%	25.60%	40.27%	70.40%	8.25%	473.88%	391.34%	146.09%	
All Metals	<a href="#">BCOMAMT</a>	4.51%	20.92%	20.92%	18.21%	65.17%	-11.74%	291.11%			
Softs	<a href="#">BCOMSOTR</a>	6.08%	2.91%	2.91%	-16.58%	-19.58%	-63.82%	-45.40%	-29.81%	2.11%	2738.93%
Livestock	<a href="#">BCOMLITR</a>	2.10%	-23.42%	-23.42%	-29.24%	-28.97%	-41.54%	-65.06%	-56.22%		
Ex-Energy	<a href="#">BCOMXETR</a>	6.83%	15.17%	15.17%	8.72%	23.47%	-28.37%	72.05%			
Ex-Petroleum	<a href="#">BCOMXPET</a>	4.49%	6.82%	6.82%	-2.21%	6.08%	-46.47%				
Ex-Natural Gas	<a href="#">BCOMXNGT</a>	6.98%	2.29%	2.29%	0.26%	18.48%	-36.22%				
Ex-Agriculture	<a href="#">BCOMXAGT</a>	2.47%	-10.95%	-10.95%	-13.14%	8.04%	-52.33%				
Ex-Grains	<a href="#">BCOMXGRT</a>	3.52%	-7.29%	-7.29%	-11.09%	7.38%	-50.99%				
Ex-Industrial Metals	<a href="#">BCOMXIMT</a>	6.11%	-6.98%	-6.98%	-9.20%	-3.82%	-52.72%				
Ex-Precious Metals	<a href="#">BCOMXPMT</a>	4.06%	-9.25%	-9.25%	-15.88%	-5.97%	-57.00%				
Ex-Softs	<a href="#">BCOMXSOT</a>	4.89%	-3.59%	-3.59%	-6.79%	7.08%	-48.00%				
Ex-Livestock	<a href="#">BCOMXLIT</a>	5.13%	-1.76%	-1.76%	-5.96%	7.48%	-49.50%				
Ex-Agriculture & Livestock	<a href="#">BCOMXALT</a>	2.50%	-9.71%	-9.71%	-11.64%	11.58%	-53.46%				
Bloomberg Dollar Spot	<a href="#">BBDXY</a>	-2.15%	-5.45%	-5.45%	-3.38%	-9.11%	14.84%				
Bloomberg US Large Cap TR	<a href="#">B500T</a>	3.96%	21.61%	21.61%	53.22%	108.85%	277.58%				
US Aggregate	<a href="#">LBUSTRUU</a>	0.14%	7.51%	7.51%	16.89%	24.23%	45.76%	157.02%	452.70%	1791.97%	
US Treasury	<a href="#">LUATTRUU</a>	-0.23%	8.00%	8.00%	16.40%	20.32%	38.85%	135.26%	404.07%	1533.62%	
US Corporate	<a href="#">LUACTRUU</a>	0.44%	9.89%	9.89%	22.71%	38.56%	72.94%	226.77%	632.93%	2547.54%	
US High Yield	<a href="#">LF98TRUU</a>	1.88%	7.11%	7.11%	19.90%	50.98%	93.04%	352.13%	1202.97%		

## Single Commodity Indices

Index Name	Ticker	2020									
		Dec	YTD	1-Year	3-Year	5-Year	10-Year	20-Year	30-Year	40-Year	50-Year
Natural Gas	<a href="#">BCOMNGTR</a>	-12.88%	-41.96%	-41.96%	-63.62%	-74.45%	-95.90%	-99.92%			
Low Sulfur Gas Oil	<a href="#">BCOMGOT</a>	7.64%	-42.26%	-42.26%	-36.31%	-1.31%	-58.86%	28.53%			
WTI Crude	<a href="#">BCOMCLTR</a>	6.51%	-50.71%	-50.71%	-47.29%	-40.68%	-82.52%	-64.78%	-11.71%		
Brent Crude	<a href="#">BCOMCOT</a>	8.04%	-31.55%	-31.55%	-21.02%	13.13%	-56.51%	69.98%			
ULS Diesel	<a href="#">BCOMHOTR</a>	7.56%	-38.25%	-38.25%	-35.15%	-0.45%	-59.17%	-12.50%	53.91%		
Unleaded Gasoline	<a href="#">BCOMRBTR</a>	11.90%	-30.89%	-30.89%	-28.37%	-21.63%	-43.54%	50.43%	288.10%		
Corn	<a href="#">BCOMCNTR</a>	13.62%	12.94%	12.94%	2.15%	-18.95%	-52.37%	-72.03%	-81.97%	-82.95%	-44.22%
Soybeans	<a href="#">BCOMSYTR</a>	11.70%	32.16%	32.16%	16.02%	22.40%	13.21%	329.18%	384.35%	349.50%	3784.40%
Wheat	<a href="#">BCOMWHTR</a>	9.50%	10.25%	10.25%	24.85%	-17.06%	-69.17%	-78.98%	-84.27%	-87.08%	-31.48%
Soybean Oil	<a href="#">BCOMBOTR</a>	13.57%	15.98%	15.98%	12.37%	12.11%	-51.22%	39.27%	-9.84%	10.83%	1477.76%
Soybean Meal	<a href="#">BCOMSMT</a>	9.50%	32.30%	32.30%	18.28%	33.01%	78.67%	872.19%			
HRW Wheat	<a href="#">BCOMKWT</a>	10.34%	14.25%	14.25%	0.13%	-36.33%	-75.44%	-68.59%			
Copper	<a href="#">BCOMHGTR</a>	2.36%	23.32%	23.32%	4.18%	55.74%	-29.53%	342.50%	592.70%		
Aluminum	<a href="#">BCOMALTR</a>	-3.65%	3.89%	3.89%	-16.94%	19.56%	-46.77%	-28.42%			
Zinc	<a href="#">BCOMZSTR</a>	-1.74%	18.60%	18.60%	-7.82%	88.27%	2.79%	88.36%			
Nickel	<a href="#">BCOMNITR</a>	3.51%	16.64%	16.64%	29.28%	81.59%	-39.61%	240.24%			
Gold	<a href="#">BCOMGCTR</a>	6.42%	20.95%	20.95%	38.74%	68.61%	22.51%	495.75%	343.50%	188.74%	
Silver	<a href="#">BCOMSITR</a>	16.91%	42.47%	42.47%	45.71%	75.73%	-25.55%	355.45%	405.89%	18.30%	
Sugar	<a href="#">BCOMSBTR</a>	6.76%	10.61%	10.61%	-16.66%	-23.61%	-69.13%	-35.58%	59.21%	-81.75%	71.92%
Coffee	<a href="#">BCOMKCTR</a>	4.02%	-9.49%	-9.49%	-25.36%	-38.16%	-78.97%	-82.17%	-82.16%	-61.74%	
Cotton	<a href="#">BCOMCTTR</a>	8.28%	9.99%	9.99%	-4.63%	18.65%	-28.23%	-62.94%	-51.26%	78.73%	1288.72%
Live Cattle	<a href="#">BCOMLCTR</a>	1.91%	-17.92%	-17.92%	-14.80%	-13.92%	-18.64%	-21.49%	20.23%	577.02%	2777.36%
Lean Hogs	<a href="#">BCOMLHTR</a>	2.49%	-31.52%	-31.52%	-50.73%	-50.84%	-68.46%	-91.16%	-93.37%		

## PERFORMANCE: Bloomberg Commodity Roll Select Indices

Composite Roll Select Indices \* [Click hyperlinks to open in Bloomberg](#)

Index Name	Ticker	2020		1-Year	3-Year	5-Year	10-Year	20-Year	30-Year	40-Year	50-Year
		Dec	YTD								
BCOM Roll Select	<a href="#">BCOMRST</a>	4.86%	1.44%	1.44%	-4.95%	12.85%	-39.47%	107.97%			
Roll Select Agriculture	<a href="#">BCOMRAGT</a>	9.44%	13.41%	13.41%	3.62%	-2.11%	-38.93%	61.38%			
Roll Select Ex-Ags & Livestock	<a href="#">BBURXALT</a>	2.82%	-2.65%	-2.65%	-7.30%	24.07%	-41.83%	124.76%			
Roll Select Grains	<a href="#">BCOMRGRT</a>	10.40%	16.50%	16.50%	9.50%	-4.43%	-39.33%	48.59%			
Roll Select Softs	<a href="#">BCOMRSOT</a>	5.62%	-1.29%	-1.29%	-21.61%	-22.12%	-59.96%	-11.43%			
Roll Select Livestock	<a href="#">BCOMRLIT</a>	2.06%	-14.53%	-14.53%	-27.69%	-35.21%	-37.86%	7.96%			
Roll Select Energy	<a href="#">BCOMRENT</a>	0.02%	-29.04%	-29.04%	-33.51%	-16.22%	-68.82%	-28.06%			
Roll Select Ex-Energy	<a href="#">BCOMRXET</a>	6.43%	14.96%	14.96%	7.58%	23.44%	-24.59%	179.60%			
Roll Select Petroleum	<a href="#">BCOMRPET</a>	6.53%	-27.29%	-27.29%	-22.26%	7.89%	-52.15%	165.10%			
Roll Select Industrial Metals	<a href="#">BCOMRINT</a>	0.48%	15.60%	15.60%	-2.38%	52.62%	-28.45%	234.72%			
Roll Select Precious Metals	<a href="#">BCOMRPRT</a>	8.84%	26.65%	26.65%	41.59%	72.62%	10.15%	494.46%			

## Single Commodity Roll Select Indices

Index Name	Ticker	2020		1-Year	3-Year	5-Year	10-Year	20-Year	30-Year	40-Year	50-Year
		Dec	YTD								
Natural Gas RS	<a href="#">BCOMRNGT</a>	-9.75%	-29.94%	-29.94%	-59.00%	-62.37%	-91.05%	-98.35%			
Low Sulfur Gas Oil RS	<a href="#">BCOMRGOT</a>	6.42%	-39.33%	-39.33%	-34.80%	-4.44%	-57.10%	53.75%	199.83%		
WTI Crude RS	<a href="#">BCOMRCLT</a>	5.87%	-20.46%	-20.46%	-14.41%	13.19%	-54.50%	198.90%			
Brent Crude RS	<a href="#">BCOMRCOT</a>	6.47%	-28.78%	-28.78%	-20.53%	13.22%	-49.19%	204.87%			
ULS Diesel RS	<a href="#">BCOMRHOT</a>	6.94%	-40.73%	-40.73%	-39.54%	-11.79%	-62.33%	52.02%			
Unleaded Gasoline RS	<a href="#">BCOMRRBT</a>	8.62%	-15.56%	-15.56%	-10.35%	23.34%	-19.26%	247.70%			
Corn RS	<a href="#">BCOMRCNT</a>	11.76%	9.11%	9.11%	-1.02%	-17.57%	-51.74%	-50.42%			
Soybeans RS	<a href="#">BCOMRSYT</a>	10.98%	30.42%	30.42%	23.12%	39.46%	38.24%	537.02%			
Wheat RS	<a href="#">BCOMRWHT</a>	6.76%	7.05%	7.05%	11.57%	-26.61%	-71.19%	-39.41%			
Soybean Oil RS	<a href="#">BCOMRBOT</a>	13.57%	13.78%	13.78%	9.31%	10.33%	-47.97%	91.56%			
Soybean Meal RS	<a href="#">BCOMRSMT</a>	8.82%	29.02%	29.02%	24.40%	43.57%	107.25%	1273.70%			
HRW Wheat RS	<a href="#">BCOMRKWT</a>	9.82%	12.89%	12.89%	-5.56%	-37.33%	-74.46%	-31.91%			
Copper RS	<a href="#">BCOMRHGT</a>	2.39%	22.61%	22.61%	3.05%	55.16%	-28.30%	505.23%			
Aluminium RS	<a href="#">BCOMRALT</a>	-3.36%	2.17%	2.17%	-22.13%	13.40%	-45.16%	0.47%			
Zinc RS	<a href="#">BCOMRZST</a>	-1.40%	18.73%	18.73%	-10.68%	83.33%	3.50%	177.13%			
Nickel RS	<a href="#">BCOMRNIT</a>	3.63%	16.44%	16.44%	28.86%	81.82%	-36.98%	437.43%			
Gold RS	<a href="#">BCOMRGCT</a>	6.48%	22.36%	22.36%	40.62%	71.66%	24.80%	506.76%			
Silver RS	<a href="#">BCOMRSIT</a>	16.68%	42.15%	42.15%	45.15%	75.43%	-24.36%	395.66%			
Sugar RS	<a href="#">BCOMRSBT</a>	6.23%	0.89%	0.89%	-28.11%	-31.31%	-67.47%	21.57%			
Coffee RS	<a href="#">BCOMRKCT</a>	4.02%	-8.71%	-8.71%	-26.02%	-38.15%	-77.34%	-72.93%			
Cotton RS	<a href="#">BCOMRCTT</a>	7.36%	9.55%	9.55%	-1.43%	23.04%	-11.14%	-44.93%			
Live Cattle RS	<a href="#">BCOMRLCT</a>	2.85%	-15.03%	-15.03%	-18.06%	-20.11%	-22.12%	31.49%			
Lean Hogs RS	<a href="#">BCOMRLHT</a>	0.72%	-10.92%	-10.92%	-41.04%	-53.81%	-58.20%	-33.92%			

## BCOM Constituent Weights

[BCOM Index MEMB <GO>](#)

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Group	Commodity	Ticker	Dec 2020 Contrib to Return %	Dec 31 2020 Weight %	Nov 30 2020 Weight %	Dec 2020 Weight% Change	2021 Target Weight
Energy	Natural Gas	<a href="#">NG</a>	-1.33	8.42	10.11	↓ (1.69)	8.07%
	Low Sulfur Gas Oil	<a href="#">QS</a>	0.12	1.61	1.56	↑ 0.06	2.64%
	WTI Crude	<a href="#">CL</a>	0.36	5.61	5.50	↑ 0.11	8.14%
	Brent Crude	<a href="#">CO</a>	0.38	4.80	4.67	↑ 0.13	6.86%
	ULS Diesel	<a href="#">HO</a>	0.10	1.39	1.35	↑ 0.04	2.08%
	Gasoline	<a href="#">XB</a>	0.19	1.66	1.53	↑ 0.13	2.18%
	<b>Subtotal</b>			<b>-0.17</b>	<b>23.49</b>	<b>24.72</b>	↓ (1.23)
Grains	Corn	<a href="#">C</a>	0.82	6.62	6.13	↑ 0.49	5.59%
	Soybeans	<a href="#">S</a>	0.77	7.06	6.62	↑ 0.44	5.82%
	Wheat	<a href="#">W</a>	0.29	3.19	3.07	↑ 0.12	2.89%
	Soybean Oil	<a href="#">BO</a>	0.40	3.19	2.97	↑ 0.22	3.20%
	Soybean Meal	<a href="#">SM</a>	0.38	4.23	4.05	↑ 0.18	3.60%
	HRW Wheat	<a href="#">KW</a>	0.17	1.70	1.62	↑ 0.08	1.57%
	<b>Subtotal</b>			<b>2.83</b>	<b>26.00</b>	<b>24.46</b>	↑ 1.54
Industrial Metals	Copper	<a href="#">HG</a>	0.20	7.91	8.13	↓ (0.22)	5.39%
	Aluminum	<a href="#">LA</a>	-0.17	4.26	4.63	↓ (0.37)	4.21%
	Zinc	<a href="#">LX</a>	-0.06	3.61	3.85	↓ (0.24)	3.25%
	Nickel	<a href="#">LN</a>	0.11	2.96	3.00	↓ (0.04)	2.71%
	<b>Subtotal</b>			<b>0.08</b>	<b>18.74</b>	<b>19.61</b>	↓ (0.87)
Precious Metals	Gold	<a href="#">GC</a>	0.95	14.79	14.62	↑ 0.17	14.65%
	Silver	<a href="#">SI</a>	0.75	4.89	4.40	↑ 0.49	4.35%
	<b>Subtotal</b>			<b>1.70</b>	<b>19.68</b>	<b>19.02</b>	↑ 0.66
Softs	Sugar	<a href="#">SB</a>	0.20	3.09	3.05	↑ 0.04	2.99%
	Coffee	<a href="#">KC</a>	0.10	2.56	2.59	↓ (0.03)	2.74%
	Cotton	<a href="#">CT</a>	0.12	1.50	1.46	↑ 0.04	1.51%
	<b>Subtotal</b>			<b>0.43</b>	<b>7.16</b>	<b>7.10</b>	↑ 0.06
Livestock	Live Cattle	<a href="#">LC</a>	0.06	3.30	3.40	↓ (0.11)	3.85%
	Lean Hogs	<a href="#">LH</a>	0.04	1.63	1.67	↓ (0.04)	1.73%
	<b>Subtotal</b>			<b>0.10</b>	<b>4.92</b>	<b>5.07</b>	↓ (0.15)
<b>Total</b>			<b>4.97</b>	<b>100.00</b>	<b>100.00</b>		<b>100.00%</b>

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