

Bloomberg Commodity Outlook

Deflation Vs. Liquidity

- Commodity, Bond-Yield Deflation vs. Stocks' Rally Sets 2020 Tone
- Commodity Risks vs. the Stock Market May Be the Highest Ever
- The End of the Beginning for Crude Oil's Lower-Plateau Market
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Data and outlook as of April 30, 2020

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

Commodity, Bond-Yield Deflation vs. Stocks' Rally Sets 2020 Tone

Performance: April -1.5%, 2020 -24.5%, Spot + -20.4%
(Returns are total return (TR) unless noted)

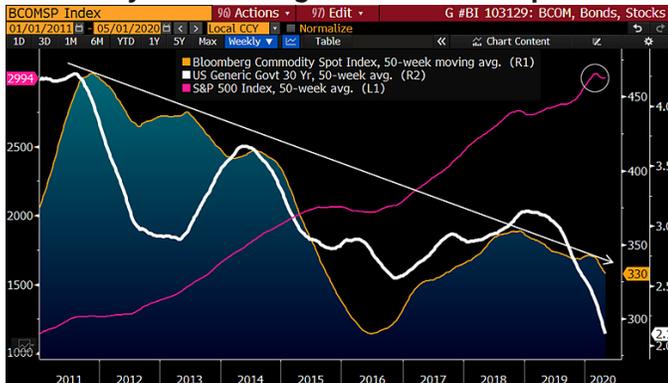
(Bloomberg Intelligence) -- Negative prices should mark the nadir of the extended crude-oil bear market, but we believe broad-commodity risks still tilt downward, particularly if the equity bounce fails. At some point, central banks will achieve inflation that supports commodity prices -- typically a result of debasing currencies -- yet most trends remain unfavorable. Gold is the notable exception that can still advance in most scenarios. The copper bear market should endure, with declining China GDP and seemingly optimistic recovery expectations.

Highly linked to energy and the strengthening dollar, the agriculture bear market is at elevated risk of simply following crude oil and bond yields. Absent reduced Corn Belt production with an event such as a drought, prices should continue to decline.

The Trend Is Downward

Commodity Risks vs. the Stock Market May Be the Highest Ever. The trajectory for broad commodity prices will remain downward with bond yields, particularly if the stock market wobbles, in our view. Plunging crude oil emphasizes the demand-destruction commodity backdrop, which is less likely to be buoyed by monetary and fiscal stimulus.

Commodity, Yields Divergent Weakness to Equities



Note - Click on graphics to get to the Bloomberg terminal

Commodity, Bond Deflation vs. Equity Liquidity.

Downward trajectories in commodity prices and bond yields are more likely to stay the course in the face of global recession. Our trend-focused graphic of 50-week averages shows the Bloomberg Commodity Spot Index turning lower with 30-year Treasury yields. Preceded by Japan and much of Europe, there's little reason for yields to increase. Commodities are a strong macroeconomic companion, but with increasing vulnerability to a potentially peaking stock market. If equities roll over after central-bank liquidity injections, commodities should decline with an increasing beta.

Showing divergent weakness, the spot BCOM and bond yields turned down in 2018 and didn't recover despite a record-setting 2019 for the S&P 500. We see little to reverse the receding tide in commodity prices.

The Commodity Cure Is Likely Lower Prices



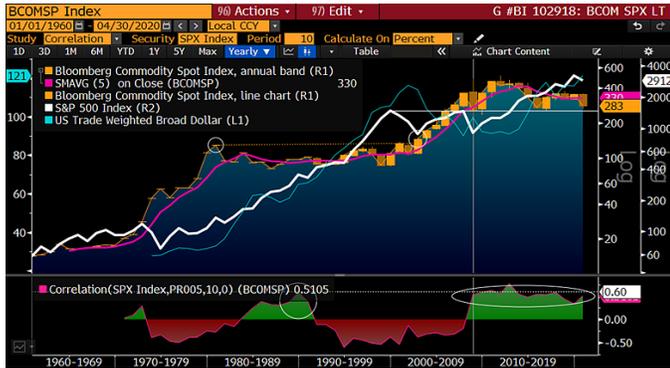
China GDP, Commodities in Enduring Downtrends. It's a question of probing for a bottom in commodity prices, and we expect it to be from lower levels. Our graphic depicts the Bloomberg Commodity Spot Index catching up with declining China GDP and bond yields. The 30-year Treasury is following yields in Japan and most of Europe toward zero, and it's been a while since estimates of economic growth in China (the epicenter of commodity demand) have increased. Reversing these enduring trends is unlikely, which tilts our view on commodities to the adage that "low prices are the cure for low prices."

Probing below the BCOM nadir from 2016 should be just part of the ebbing tide, in our view. Akin to April's negative price extreme in crude oil, broad commodities may require some form of exhaustive plunge to end the bear market.

From Rivals to Companions - Commodities vs. Equities.

Broad commodities harken back to the 1980-99 period of poor performance, favoring more tactical positioning and trading strategies, in our view. Since the 2008 financial crisis, the 10-year annual correlation between the Bloomberg Commodity Spot Index and S&P 500 has never been greater for longer (in data back to 1960). The commodity market may be in a similarly restricted environment as the two decades following the 1980 peak, but with greater dependence on advancing equities for price support. Our graphic depicts the relatively elevated stock-market condition at the onset of the current calamity vs. the 2008 crisis.

2008 Crisis an Inflection Point for Commodities



Since 2011's all-time peak in the BCOM, disinflation, the strengthening dollar and rapidly advancing stock-market prices all bear similarities to 1980-99.

EM Weakness Bodes Ill for Commodities. Broad commodities depend too much on advancing equity prices for buoyancy, which increases vulnerability to declines, in our view. The graphic depicts the historically high interdependence between the Bloomberg Commodity Spot Index and MSCI Emerging Markets Index. Since 2012, the 10-year annual correlation has been about 0.90. In the early 2000s, the same measure was close to zero. Both indexes are down almost 20% this year to April 30. The BCOM is at elevated risk of resuming the downward trek since the 2011 peak, notably if emerging markets cannot sustain a recovery.

Commodities Lean Hard on EM Stock Prices



Some combination of a sharp reversal in the coronavirus-related global economic hard stop and a turnaround in dollar strength are requirements to slow the ebbing tide, in our view.

MACRO PERFORMANCE

Commodity, Yields Divergent Weakness to Equities

Security	%YTD	Chg April	1Yr % Chg	2Yr % Chg
Bloomberg Barclays U.S. Treasu	+24.4%	+2.4	+39.3%	48.2%
Gold	+11.2%	+7.0	+31.4%	28.2%
Broad Dollar Index	+8.5%	+1.4	+8.0%	14.4%
Bloomberg Dollar Spot	+4.9%	-4	+3.6%	8.4%
S&P 500 Total Return Index	-9.3%	+12.8	+9%	14.5%
S&P 500 Index	-9.9%	+12.7	-1.1%	10.0%
Generic 1st 'HG' Future	-16.2%	+5.3	-19.1%	-23.6%
MSCI Emerging Markets Net Tota	-17.1%	+8.5	-12.5%	-16.9%
MSCI World ex USA Net Total Re	-17.4%	+7.7	-10.9%	-13.2%
Bloomberg Commodity Spot Index	-20.4%	+2.3	-18.2%	-24.0%
Bloomberg Commodity Index Tota	-24.5%	-1.5	-23.2%	-29.3%

Elevated Commodity Risks vs. Stock Market. By year-end, the 2020 performance-scoreboard composition should look similar to the end of April, but more extreme, with gold on the top along with Treasury bonds and crude oil at the bottom. The biggest risk, in our view, is the liquidity-supported stock market succumbing to the severe deflationary trajectory paved by crude oil, which should drag along copper and broad commodities. Weak crude, commodities and bond yields indicate diminished prospects of a global economic V-shaped recovery, and we believe elevate risks if the April equity-market bounce fails.

Expectations may be too robust, in our view, understating the negative implications of plunging crude oil and advancing gold vs. silver and copper.

SECTOR PERFORMANCE

Precious Metals Are Gaining Momentum. Commodity-sector performance will remain about advancing precious metals vs. most others, in our view. Having achieved negative prices, the energy sector has limited downside, but it's unlikely West Texas Intermediate crude oil will sustain much above \$20-a-barrel resistance; the same for Brent vs. \$30. Risks are tilted vs. industrial metals and agriculture, which should continue gravitating toward energy. The Bloomberg Precious Metals Subindex Total Return, up about 30% on a one-year basis vs. about 2% for the S&P 500, is indicative of the sector gaining the upper hand amid unparalleled liquidity from central banks.

Limited Downside in Energy vs. Gold Upside Room

Security	%YTD	Chg April	1Yr % Chg	2Yr % Chg
Bloomberg Precious Metals Subi	+4.7%	+5.9%	+23.6%	17.8%
Bloomberg All Metals Total Ret	-6.1%	+4.2%	+1.9%	-5.2%
Bloomberg Grains Subindex Tota	-12.7%	-6.0%	-4.7%	-26.1%
Bloomberg Agriculture Subindex	-15.0%	-5.7%	-7.6%	-26.3%
Bloomberg Industrial Metals Su	-16.6%	+2.3%	-18.1%	-26.0%
BBG Softs TR	-19.8%	-3.6%	-14.5%	-27.3%
Bloomberg Livestock Subindex T	-31.8%	-5.1%	-37.3%	-30.3%
Bloomberg Energy Subindex Tota	-52.8%	-3.5%	-56.4%	-56.9%

Energy

(Index weight: 19% of BCOM)

Performance: April -3.5%, 2020 -52.8%, Spot -43.3%

*Note index weights are March 2020

Bear Market Transition

The End of the Beginning for Crude Oil's Lower-Plateau Market.

Negative prices mark the bottom of the crude-oil bear market since 2008, in our view, but we see a long slog ahead, along with bond yields at low levels. About \$20 a barrel in West Texas Intermediate is good resistance; \$10 marks support. Seaborne, cash-settled Brent crude will remain under pressure but is unlikely to go negative.

Crude Oil Is Settling Into Lower Plateau. Crude oil is in an adjustment process to sustained low levels, and we expect energy prices have reached an inflection point where they are no longer buoyed by the liquidity-driven stock market. Our graphic depicts 20-day averages of West Texas Intermediate, natural gas and U.S. Treasury 30-year bond yields simply extending long, entrenched downtrends. Negative \$38-a-barrel WTI crude oil on April 20 will likely mark the bottom, the way \$145 did the peak in 2008, but macroeconomic deflationary forces should prevail. A primary risk for more downside in energy prices is the potential for a rollover in the extended stock market rally.

Deflationary Brethren; Crude Oil, Gas, Bond Yields

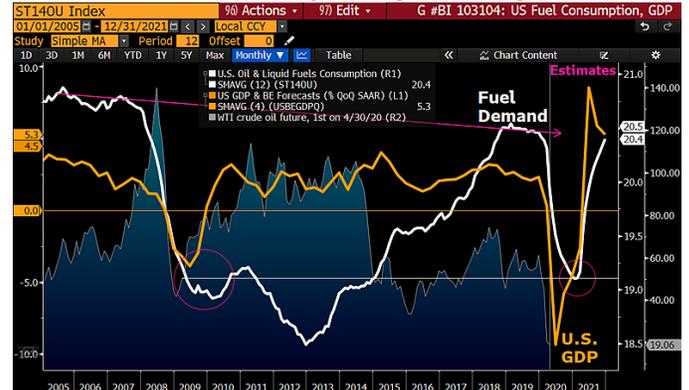


Energy prices and bond yields reflect the extent of Covid-19-related global demand destruction. Preexisting conditions tilt our bias toward less optimism for a recovery in energy demand.

Optimism vs. Realism: Fuel Demand, GDP Recovery. Akin to optimism for a pickup in global GDP on the back of the U.S.-China trade accord, we see parallels for the aftermath of the coronavirus, which should keep energy prices under pressure for an extended period. The preexisting adverse trend in U.S. liquid-fuel consumption should tilt expectations for recovery toward pessimism. Our graphic depicts fuel demand peaking in 2019, which was well below the pre-

financial crisis levels from 2007 and came despite the long economic expansion.

Fuel Prices, Demand Likely to Stay Low Longer

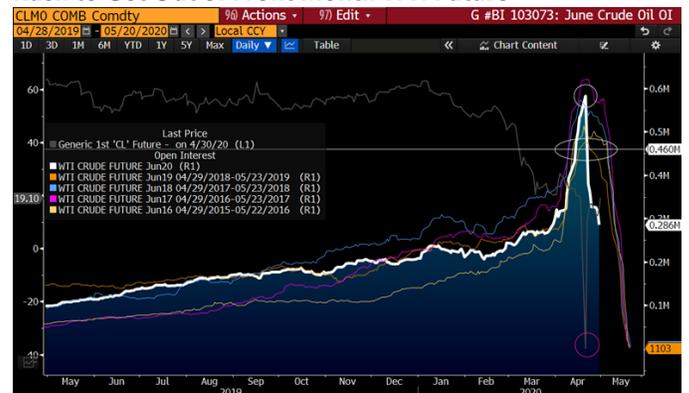


The Department of Energy estimates fuel demand will decline less than the previous trough, though the Bloomberg Economics team forecasts U.S. GDP dropping well below 2009's level. We expect optimism for a V-shaped recovery in U.S. economic growth and fuel demand will succumb to realism and preexisting adverse trends for higher crude-oil prices.

Second Month of Futures Rush to Exit Part of WTI Bear Transition.

A negative price repeat of May is unlikely to be as extreme in West Texas Intermediate futures, in our view, with liquidation of June positions well-above normal three weeks before expiration, indicative of an enduring slog at lower prices. Our graphic depicts only less than 300,000 contracts of open interest left in June to vs. closer to 500,000 for the month in the past four cycles. Negative \$37.63 a barrel in the front WTI contract at the April 20 close is unlikely to be matched, however. At some point, the reluctance to be long in the next-to-expire contract should spark volatility the other way as short positions become emboldened.

Rush to Get Out of Front Month WTI Future



The plunging WTI front-month future reinforces our concerns about demand destruction and near-peak inventories. About \$10 a barrel should mark good support.

USO Just Part of Gaggle in Front WTI Futures. The performance of the United States Oil Fund (USO) in this crude-oil downdraft is right along with key indexes, indicating that volatility in futures spreads is part of extremes that often accompany bear-market bottoms. Our graphic depicts the USO exchange-traded fund down about 80% in 2020 to April 30. It's alongside the rolling front WTI future and the Bloomberg Commodity and S&P GSCI WTI Crude Oil Total Return indexes. The performance benefit of moving further out in a generally contango-shaped futures curve is exhibited by the 57% decline in the Bloomberg WTI Crude Oil Three-Month Forward Total Return Index.

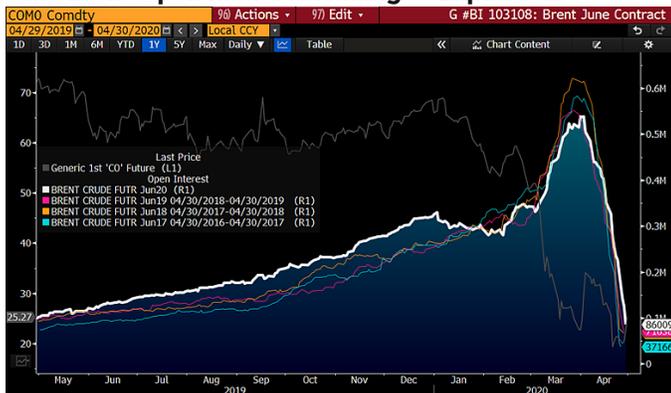
Forward Indexes Lessened the Crude Downdraft



We expect the negative \$37.63-a-barrel April 20 close in the front WTI future (vs. the next contract's positive \$20.43) to remain the bear-market extreme.

Brent Crude Is Unlikely to Go Negative. Brent crude oil prices are unlikely to go negative, but should settle in with WTI, natural gas and bond yields at a lower plateau. As Brent is seaborne, cash-settled and has a primary demand source in China, we don't expect a repeat of April 20's negative \$37.63 a barrel close in WTI, which is mostly landlocked. Our graphic depicts open interest in the June Brent future, which stopped trading on April 30. It was bit higher than normal with only a day left, but matters much less, as there's no physical delivery.

June Brent Open Interest Heading to Expiration



Almost-full storage tanks are an issue for physically settled WTI, but very few contracts are delivered. The lessons of the May contract should reverberate for a long time.

Crude Oil Increasingly at Risk vs. Equities. After trading at a record negative price, good resistance of about \$20 a barrel should develop for the front West Texas Intermediate future, in our view. This initial low area from the March plunge -- and the most widely traded price in futures history (1983) -- has likely pivoted to resistance. Unless the stock-market bounce is sustained, WTI is less likely to breach resistance and is set to be caged at about \$10-\$20. Our graphic shows the front Brent crude-oil future following WTI toward \$20 and the strong relationship with the Russell 2000 Index (RTY).

WTI Limited by \$20, Increasing Risk to Equities



Small caps have among the most robust correlation to crude oil among stock indexes. WTI is about 0.60 correlated to RTY over the past 10 years measured annually, compared with about 0.50 to the S&P 500 and MSCI Emerging Market indexes.

\$20-a-Barrel WTI Resistance on Demand Destruction.

Spurred by global recession, what was the support level for WTI -- near \$20 a barrel -- is shifting to crude oil's resistance. Sustaining below \$20 is a severe indication of demand destruction, with trickle-down implications for equities and other risk assets, as we see it. Our graphic of every closing price since WTI began trading in 1983 shows the 2008 peak of \$145.29 and April 20 trough of minus \$37.63 -- a range unlikely to be exceeded. About \$20 is the most traded price. June, the prompt future when May expires, closed at \$20.43, the widest first-to-second future spread ever.

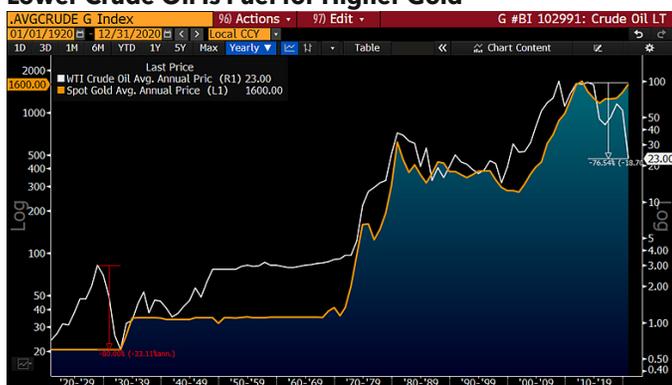
June Takes Over Around \$20 From Expiring May



Crude oil is settling in at a lower plateau, with strong companionship for sustainability from record-low bond yields.

What's Different? Crude Oil Down, Gold Up. Likely to stay the course, crude oil is on pace for its lowest annual average price since 1999, while gold trades near its record. Gold's 2020 average price (about \$1,600 an ounce) is likely to top 2012's (\$1,670), in our view, with little to stop its advance. Unprecedented global central-bank easing, new highs in most other currency terms and plunging crude oil are in gold's corner. Lower oil is deflationary and fuel for more rate easing. If crude oil holds at the June-contract rate of about \$15 a barrel (as of April 21), WTI's average price would be about \$23.

Lower Crude Oil Is Fuel for Higher Gold



Comparable to the past few years, the average oil price dropped about 80% from 1928-32. (04/21/20)

China's Stepped-Up Oil Buying Boosts Reserves Rather Than Demand.

Contributing Analysts Henik Fung (Energy)

China's national oil stockpile is getting a boost from a glut of cheap crude as stepped-up purchases defy a virus-driven demand crunch, pushing its 1Q oil imports 5% higher over last year. Beijing's buying binge was probably driven by a push to boost strategic reserves, rather than by demand. China, near storage capacity, has limited room for more crude imports.

PERFORMANCE DRIVERS

Implications of Depression-Like Energy Declines. The decline in crude-oil prices indicates the extent of global demand destruction with implications for risk assets, notably the stock market, in our view. Last matched during the Great Depression, the energy price collapse is likely to stabilize, with West Texas Intermediate crude oil consolidating below \$20 a barrel. If the stock market can sustain the recovery, crude oil may follow, but if equity prices roll over, the energy-to-equity beta is much more likely to spike.

A Question of How Much Worse It Can Get

Security	Ticker	YTD	Chg April	Chg QTD	1Yr % Chg	2Yr % Chg
Bloomberg Natural Gas Subindex	BCOMNGTR	-18.2%	+12.8%	+12.8%	-41.3%	-44.6%
BBG Energy Spot	BCOMENSP	-43.3%	+12.6%	+12.6%	-48.6%	-51.0%
Bloomberg Energy Subindex Total	BCOMENRT	-52.8%	-3.5%	-3.5%	-56.4%	-56.9%
Bloomberg Heating Oil Subindex	BCOMHOTR	-59.2%	-18.3%	-18.3%	-59.6%	-59.8%
Bloomberg Brent Crude Subindex	BCOMCOT	-60.9%	-10.7%	-10.7%	-60.6%	-60.6%
Bloomberg Unleaded Gasoline Subindex	BCOMRBTR	-62.9%	+16.4%	+16.4%	-61.9%	-63.9%
Bloomberg Petroleum Subindex Total	BCOMPETR	-66.0%	-14.9%	-14.9%	-66.3%	-67.3%

Natural gas, the best performer in 2020, was among the worst in 2019 and has been a precedent for lower energy prices. Similar to crude, we expect gas stabilization at the lower levels, likely below \$2 per million BTUs resistance as excess supply remains the primary headwind.

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

Name	Current Position	1 Yr Ago	1 Yr Change	YTD Change
1 Year Spread % of First Contract				
BCOM	-13.3	-4.6	-8.6	-10.8
Sector				
Precious Metals	-1.7	-3.0	1.4	0.6
Industrial Metals	-2.7	-0.7	-2.1	-1.4
Agriculture	-5.9	-10.2	4.2	-0.4
Livestock	-23.8	-5.9	-17.9	-25.2
Energy	-38.2	1.4	-39.6	-41.6
Single Commodities				
Palladium	1.2	1.4	-0.2	0.1
Soybean	0.4	-7.3	7.7	4.5
Platinum	0.1	-1.8	1.9	1.9
Gold	-0.9	-2.7	1.9	1.3
Copper (CME)	-1.1	-1.5	0.3	0.1
Soybean Meal	-1.2	-4.3	3.0	3.4
Copper (LME)	-1.5	-0.6	-0.9	-0.7
Zinc	-2.0	7.0	-9.0	-3.5
Nickel	-2.1	-2.6	0.5	-0.3
Wheat	-2.5	-15.4	12.9	2.4
Silver	-2.5	-3.4	0.9	-0.1
Cotton	-2.9	-0.1	-2.9	-0.4
Soybean Oil	-6.1	-7.0	0.9	-3.0
Aluminum	-7.1	-5.8	-1.3	-2.5
Coffee	-7.5	-14.0	6.4	0.4
HRW Wheat	-7.9	-20.8	12.8	0.7
Sugar	-9.1	-12.3	3.3	-1.9
Thermal Coal	-14.7	-8.7	-6.0	-26.9
Corn	-14.8	-14.5	-0.3	-8.8
Lean Hogs	-23.5	-6.2	-17.3	-22.3
Live Cattle	-24.1	-5.6	-18.5	-28.1
Unleaded Gas	-29.3	6.7	-36.0	-36.0
Natural Gas	-34.4	0.4	-34.8	-12.3
Heating Oil	-35.4	0.1	-35.5	-39.7
Brent Crude	-38.9	6.6	-45.5	-47.6
Gas Oil	-39.3	0.2	-39.5	-44.9
Crude Oil	-75.2	4.7	-80.0	-84.1

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).

Metals

All (Index weight: 40% of BCOM)

Performance: April +4.2%, 2020 -6.1%

Industrial (Index weight: 19.0% of BCOM.)

Performance: April +2.3%, 2020 -16.6%, Spot -15.9%

Precious (Index weight: 16.1% of BCOM.)

Performance: April +5.9%, 2020 +4.7%, Spot +5.2%

Gold Bull Vs. Copper Bear

Metals Are About the Nascent Gold Bull vs. Enduring Copper Bear.

New gold highs are a matter of time while copper is on track to fall through its 2016 low, in our view. Unparalleled central bank easing will continue to boost precious metals, and our analysis shows that relative to GDP, Federal Reserve liquidity aid is just getting started. Base metals are at elevated risk vs. wobbly equities.

Gaining Momentum: Gold Bull, Copper Bear. Gold is on track to breach its all-time high from 2011 of about \$1,900 an ounce, and we expect copper to maintain its downward trajectory. Our graphic depicts the enduring bull-trend in the precious metal vs. the opposite in the base metal gaining momentum and with strong fundamental drivers. Copper has been in decline since about 2010, when economic growth in the primary demand source -- China -- was running about 10% vs. many estimates toward 5% in 2021.

Trends That Aren't New; Gold Up, Copper Down



Unprecedented central bank liquidity and new highs in terms of most other currencies are strong tailwinds for the dollar-denominated gold price. A primary difference from the stock market, only a few months past record highs, is gold is about 10% below its peak from about a decade ago. The metal has had its reset and sustained period of disdain to form a recovery base.

Central Bank Liquidity Launching Gold. There are few options for the price of gold but to continue advancing, if the metals history vs. the Federal Reserve providing liquidity is any guide. Our graphic depicts the Fed's balance sheet commencing on a similar upward trajectory as 2008 and the

gold price initially leading the way last year above what was \$1,400-an-ounce resistance. Still below the 2014 peak at just over 25% of GDP, the Fed balance sheet has plenty of upside room, implying similar for the price of gold.

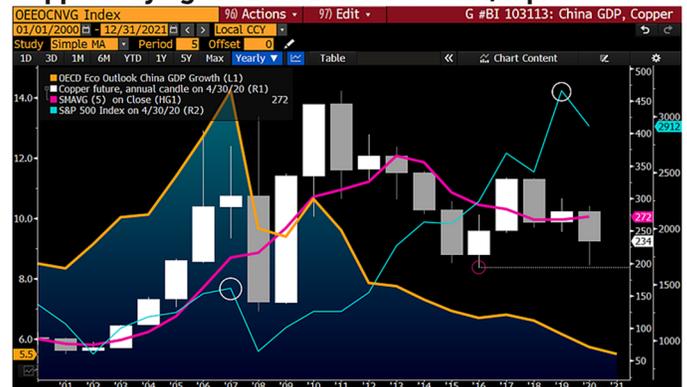
Gold Rally Appears in Early Days With the Fed



We see deflationary conditions as more extreme than those of the financial crisis and on a global scale, indicating more enduring and extreme central bank liquidity-providing measures.

Copper Price-Risks Remain Tilted Downward. Copper prices will continue to follow declining China GDP, with elevated risks vs. the stock market in our view. A consistent trend of the past decade, which we expect to endure, is downward revisions of economic growth estimates in the centrally planned country. Our graphic depicts the 2021 OECD China GDP outlook dropping to about half that of 2010. Trend-is-your friend rules point lower after that, if history is a guide. A potential peak in the latest stock market rally will add significant tailwinds to the copper price. The copper-to-S&P 500 beta, at about 1.2x on a 20-year annual basis, should spike if equities can't maintain the April bounce.

Copper Is Eyng the 2016 Low With China, Equities



Central-bank liquidity, which is lifting the stock market in the face of a significant global recession, should have much less buoyancy for copper prices.

Gold's 1-to-1 vs. S&P 500, But the Mean Matters.

Unprecedented global monetary stimulus is a worthy catalyst for the per-ounce price of gold to revert to its long-term mean vs. the S&P 500 Index, in our view. With the index

stabilized at about 2,900 on April 30, the mean since 1971 of just above 1-to-1 indicates about a \$1,000 rally in the metal. Compared with the aftermath of the 2008 financial crisis, when gold rallied about 170% to \$1,900 in 2011 from a low of about \$700, a 70% advance on the back of the coronavirus-related global recession seems tame. The financial crisis was U.S.-centric vs. the worldwide scope of the current -- and potentially more enduring -- economic calamity.

Gold/S&P 500 Set to Revert to the Mean



When Lehman Brothers collapsed, the gold-to-S&P 500 ratio bottomed close to the current 0.60. The ratio, however, doesn't measure the dividends earned by holding equities.

Gold's Upper Hand vs. Stock Market Gains Momentum With Fed Ease.

When the history of 2020 is told, we expect gold to have been a main beneficiary of unprecedented monetary stimulus that typically supports stock prices. The store of value is basically stable over time, reflecting the value of the money in which it's denominated. New highs in terms of many major currencies, notably the euro, pound and yen, portend something similar in dollar-denominated gold as a matter of time. If history is a guide, mean reversion higher in equity volatility is a key driver -- Covid-19 a worthy catalyst. Our graphic depicts the strong relationship of the CBOE S&P 500 Volatility Index (VIX) and the ratio of the per-ounce gold price vs. the S&P 500.

Gold/Equity Ratio Set For Recovery With Volatility

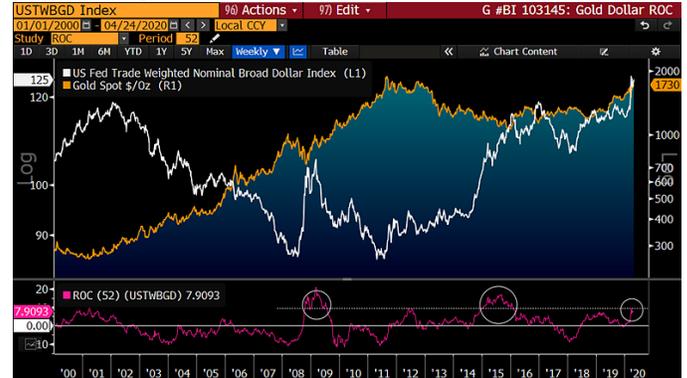


Before 2018, the life-of-index low in the VIX 200-day average was June 2007, preceding the financial crisis. February 2018 is the updated trough.

The Implications of Gold's Upper Hand vs. Dollar.

Divergent strength in the gold price vs. a rallying dollar harks back to the metal's launch in 2008. Our graphic depicts gold advancing -- notably since its 2015 trough -- despite record highs in the trade-weighted broad dollar. The indication is that despite the greenback gaining vs. other currencies, all are basically declining in gold terms, and for good reason. Negative yields in much of Europe and Japan, and seemingly unstoppable monetary stimulus on a global scale, appear to be spurring diversification into the traditional store-of-value.

Gold Strength vs. the Dollar Akin to 2008



In 2008, gold backed up about 30% from its peak as the dollar spiked almost 20%. Similar -- but slower -- moves this year should have a like outcome. Mean-reversion risks to the downside in the dollar are more elevated vs. 2008, when the greenback was relatively low.

Gold Outperforming Copper an Enduring Trend.

The preexisting condition of gold outshining copper is gaining staying power on the back of the coronavirus, in our view. The precious metal is well below its all-time high, with plenty of fuel to continue appreciating vs. copper, which is still above its 2016 low and finding plenty of reasons to simply stay the bear-market course. Our graphic depicts the primary companion of the copper-to-gold ratio -- bond yields -- with enduring downtrends in German Bunds, Japanese government notes and U.S. Treasury 10-year bonds.

Trend-Is-Your-Friend Rule Favors Gold vs. Copper

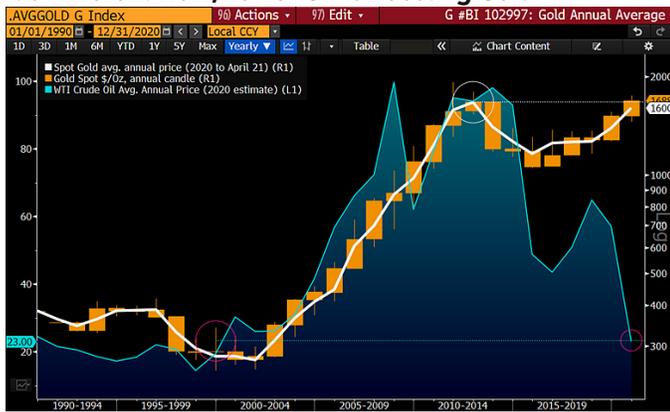


Unprecedented global monetary stimulus, and the fact that gold has reached new highs in term of most currencies, are

tailwinds for the dollar-denominated price. The high probability of a severe global recession and wobbly stock markets will keep pressure on copper prices.

Boosted by Lower Oil, Gold Eyes Records. Typically positively correlated, gold prices should continue advancing, on the back of lower crude oil, in our view. Our graphic shows the historic anomaly backed by solid fundamentals. Depressed crude is part of the deflationary mix with record low bond yields and the latest catalyst, the coronavirus. If West Texas Intermediate stays near the April 30 price of \$19, the 2020 average will be the lowest since 1999. It's plenty of fuel for central banks to just keep priming the monetary pumps, thus boosting the price of gold. Unlimited monetary stimulus should be expected until rising bond yields or declining currency values reach an inflection point indicating too much.

It's Different Now, Lower Oil Is Boosting Gold



The gold-to-crude oil correlation is about 0.44 over the past 100 years, based on annual average prices.

Crude's Lower Plateau to Pressure Copper. Copper's price is too high, if its history vs. crude oil serves as a guide. The world's primary macroeconomic commodities have never been farther apart in the database since 1986. Our graphic depicts the cash copper-to-West Texas Intermediate futures price ratio exceeding the 1988 peak, which marked the beginning of a five-year bear market for the metal. The 2020 WTI crude-price plunge reflects the extent of coronavirus-related global demand destruction, and copper is unlikely to escape the ebbing tide.

We see crude stabilizing at about \$20 a barrel, joining entrenched lower-plateau companions -- bond yields and natural gas. Dr. Copper is a primary piece of the puzzle. Over the past 20 years, measured annually, copper is about 0.70 correlated to crude oil.

Elevated Copper/Crude Ratio a Metal Headwind



Copper on Cliff's Edge With the Stock Market. The precarious condition of the stock market puts copper at a precipice, if history is a guide. Our graphic depicts the S&P 500 near key inflection-point resistance of about 2,800 -- the halfway mark of the 2020 decline and most traded price of the past three years. Unless the stock market can recover above this hurdle, copper is more likely to resume its downward trajectory. We see the metal's 2016 low close of \$1.94 a pound as akin to about \$30 a barrel in WTI crude oil, which was breached on the back of an unprecedented hard stop in global demand.

Copper Set to Breach 2016 Low If Equities Decline



Copper is teetering and has ample macroeconomic fuel to continue the bear market since 2011. The stock market, pumped up on unmatched central-bank easing, is a final potential shoe-to-drop for lower copper prices.

PERFORMANCE DRIVERS

Rising Gold Despite Advancing Greenback. Rising dollar-denominated gold despite a strong greenback is a sign of divergent strength in the metal. We see little to arrest the 2020 trend in rising precious- vs. declining base-metal prices. Our performance dashboard showing gold near the top and copper and aluminum toward the bottom should endure through year end with risks tilted towards acceleration. The stock market should be a primary guide. If equities fail to sustain the April bounce, base metals will be

more inclined to continue the enduring bear market and gold should continue to advance.

Acceleration Risk; Precious Metals Up, Base Down

Security	%YTD	Chg QTD Pct	1Yr % Chg	2Yr % Chg
Bloomberg Gold Subindex Total	+10.2%	+5.8%	+30.4%	27.4%
Broad Dollar Index	+8.5%	+1.4%	+8.0%	14.4%
Bloomberg Precious Metals Subi	+4.1%	+5.7%	+23.9%	18.9%
Bloomberg All Metals Total Ret	-6.1%	+4.2%	+1.9%	-5.4%
Bloomberg Nickel Subindex Tota	-14.8%	+4.7%	-5%	-11.5%
Bloomberg Zinc Subindex Total	-15.7%	+6%	-27.8%	-29.1%
Bloomberg Silver Subindex Tota	-17.7%	+5.2%	+1%	-9.5%
Bloomberg Industrial Metals Su	-17.8%	+9%	-17.8%	-26.4%
Bloomberg Copper Subindex Tota	-18.5%	+2.4%	-18.1%	-24.6%
Bloomberg Aluminum Subindex To	-19.9%	-3.5%	-20.7%	-36.2%

Note - performance is as of the NY morning of May 1.

A primary force boosting gold is central-bank liquidity, and a key trigger for more would be declining equity prices.

Agriculture

(Index weight: 35% of BCOM)

Performance: April -5.7%, 2020 -15.0, Spot -13.6%

Grains (Index Weight: 24% of BCOM)

Performance: April -6.0% 2020 -12.7%, Spot -11.2%

Softs (Weight: 6% of BCOM)

Performance: April -3.6%, 2020 -19.8%, Spot -19.8%

Part of the Ebbing Tide

Corn to Sugar, Agriculture and an Unfavorable Macro Environment. Typical supply vs. demand analysis matters little for agriculture at a time of plunging crude oil and emerging markets, the rising dollar, and a wobbly stock market, in our view. Risks remain tilted downward, notably for corn and soybean prices, unless adverse summer weather can limit the trend toward too much supply.

Agriculture Price Risks Are Tilted Downward. More connected to energy via biofuels than in the past, we expect agriculture prices to remain under pressure. Our graphic depicts the Bloomberg Agriculture Spot Index appearing elevated vs. the plunging value of the Brazilian real and multi-decade lows in crude oil. Record South American soybean production and cheapening currencies are pricing the U.S. out of the global market. China should increase purchases of U.S. grains under the trade agreement, but macroeconomic conditions have turned quite unfavorable, notably with Grain Belt trend-line yields and supply expected in 2020.

Trends Are Unfriendly for Agriculture Prices



Some form of unexpected production reduction, such as a drought, should be necessary to prevent corn and soybeans from breaching respective \$3- and \$8-a-bushel support. We see crude oil remaining low, along with bond yields, for an extended period.

Increasing Corn Headwinds: Fuel, Strong Dollar.

Unprecedented plunges in ethanol prices and U.S. fuel consumption will pressure corn below \$3-a-bushel support, in our view. For higher prices, a severe drought should be necessary this 2020 Corn Belt growing season; last year proved how resilient production was in the face of adverse weather. Our graphic depicts the price of ethanol dropping to the lowest in futures-trading history since 2004. Preexisting poor conditions for U.S. fuel consumption prior to the Covid-19 lockdown tilt our bias against optimistic estimates for a sharp recovery in demand.

Corn Risks Are Tilted Downward With Ethanol



About a third of U.S. corn is used for ethanol production, and almost 15% is exported. Record highs in the trade-weighted broad dollar despite seemingly unlimited U.S. monetary stimulus indicate a peak greenback is unlikely in the near future.

Soybean Prices Likely to Breach \$8 Support. A bumper soybean crop in Brazil and the plunging value of the real mean a whole lot of supply pressuring global prices. USDA estimates of about 125 million tons of soybeans produced this year in the South American country compare with projections for almost 97 million from the U.S. Ten years ago, U.S production was slightly less, while the Brazil bean crop was about half that of 2020.

Soybean Price Headwinds From South America



The overwhelming supply force from Brazil and Argentina amid weakening currencies should pressure the benchmark

soybean future below current support about \$8 a bushel. It should take a severe Corn Belt drought to prevent lower prices, in our view. Government programs that pay producers are increasing supply -- typically growers have to plant to get payments.

Fuel Demand, Prices Likely Stay Low Longer. Optimism for a V-shaped recovery in U.S. economic growth and fuel demand will succumb to realism and preexisting adverse trends for higher crude-oil prices, in our view. Similar to the financial crisis in 2008, liquid-fuel demand was sinking even before the coronavirus outbreak. Our graphic depicts the paradigm shift in fuel consumption. At the start of 2020, demand was essentially unchanged from the 2007 peak. This time, on the back of the longest economic expansion in history, flat fuel use represents something very different.

Recovery Estimates Appear Too Optimistic



Expectations of swift recoveries in GDP and fuel demand appear too rosy given the unlikelihood of bars or baseball stadiums full of patrons in the near future. Our analysis is U.S.-centric due to robust data and because the world's former largest energy importer is at the epicenter of the price shift.

PERFORMANCE DRIVERS

Ag Risk Is More Red on the Screen. Adverse weather and Covid-19-related logistic issues are supporting wheat prices, but most agriculture futures are at greater risk of following crude oil toward a lower plateau, in our view. The weak performance of the Bloomberg Commodity Agriculture Index in April -- typically one of its best months -- portends lower prices into the more volatile Corn Belt growing season. Our performance scoreboard showing crude oil on the bottom and the change in the value of the Brazilian real not far behind represent the primary ag-price headwinds.

Crude Oil and the Real Leading Ags Lower

Security	%YTD	Chg April	Chg QTD	1Yr %	2Yr %
			Pct	Chg	Chg
Bloomberg Kansas Wheat Subinde	-2.0%	-2.4%	-2.4%	+12.2%	-27.4%
Bloomberg Wheat Subindex Total	-6.0%	-7.8%	-7.8%	+21.4%	-5.9%
BBG Soybean Meal TR	-6.4%	-9.8%	-9.8%	-8.1%	-31.8%
Bloomberg Grains Spot Subindex	-11.2%	-5.0%	-5.0%	+1.3%	-14.0%
Bloomberg Soybeans Subindex To	-12.2%	-4.3%	-4.3%	-6.4%	-28.2%
Bloomberg Grains Subindex Tota	-12.7%	-6.0%	-6.0%	-4.7%	-26.1%
Bloomberg Agriculture Subindex	-15.0%	-5.7%	-5.7%	-7.6%	-26.3%
Bloomberg Cotton Subindex Tota	-17.9%	+11.6%	+11.6%	-26.6%	-33.0%
Bloomberg Corn Subindex Total	-19.6%	-7.6%	-7.6%	-18.2%	-33.9%
BBG Softs TR	-19.8%	-3.6%	-3.6%	-14.5%	-27.3%
Bloomberg Coffee Subindex Tota	-20.2%	-11.9%	-11.9%	+2.8%	-30.4%
Bloomberg Sugar Subindex Total	-21.0%	-1.2%	-1.2%	-22.1%	-23.6%
Bloomberg Soybean Oil Subindex	-25.2%	-2.8%	-2.8%	-9.1%	-20.5%
BRAZIL REAL	-26.5%	-5.1%	-4.7%	-28.2%	-35.8%
Bloomberg Live Cattle Subindex	-27.7%	-6.6%	-6.6%	-25.8%	-19.2%
Bloomberg Livestock Subindex T	-31.8%	-5.1%	-5.1%	-37.3%	-30.3%
Bloomberg Lean Hogs Subindex T	-38.2%	-2.3%	-2.3%	-53.2%	-47.6%
Generic 1st 'CL' Future	-68.7%	-6.8%	-7.0%	-70.2%	-72.2%

Absent sustained recoveries in oil and the real, we see little to support broad ag prices for most of the remainder of this year.

Market Flows - Commitment of Traders

Name	Current	5 Day Change	1 Mth Change	3 Mth Change	YTD Change	1 Yr Change
▼ Net - Managed Money Total/Disagg						
▼ Single Commodities						
Gold	179,588	-18,977	2,118	-79,602	-83,582	183,557
Corn	-161,057	-23,486	-69,211	-93,253	-78,601	146,472
Coffee	21,995	586	19,348	-8,379	-19,112	103,662
Soybeans	-2,864	-15,386	27,782	10,871	295	88,536
Wheat	24,001	-1,380	29,660	-17,670	-3,269	87,077
HRW Wheat	10,953	5,655	24,259	261	9,669	65,248
Aluminum (Post- MiFID II)	186,982	0	14,798	22,034	9,104	46,615
Silver	13,515	-1,274	-9,445	-44,551	-46,850	24,353
Soybean Oil	-11,557	-9,461	-13,269	-112,816	-123,740	22,363
Soybean Meal	-146	-5,898	-16,246	36,550	25,264	11,388
Copper (LME) (Post MiFID II)	25,409	0	1,874	-16,489	-16,072	7,317
Nickel	42,230	-664	-1,792	12,113	13,772	5,041
Heating Oil	-4,110	-2,402	-1,359	-6,000	-25,147	-7,771
Palladium	1,137	-22	222	-9,133	-11,384	-8,158
Zinc (Pre MiFID II)	79,906	-1,121	-6,682	3,640	-471	-8,898
Aluminum (Pre- MiFID II)	163,475	6,307	-3,292	21,105	3,315	-10,481
Zinc (Post MiFID II)	39,940	0	936	-19,278	-13,903	-15,984
Platinum	3,446	-1,620	-8,327	-49,276	-44,216	-19,448
Sugar	-66,025	-14,846	-69,615	-187,434	-88,297	-21,547
Copper (CME)	-20,240	4,717	21,103	-27,509	-30,578	-23,566
Copper (LME) (Pre MiFID II)	37,448	-917	-16,651	-27,111	-31,597	-34,385
Cotton	-25,490	-2,210	-13,025	-54,497	-46,376	-36,957
Lean Hogs	13,444	-5,183	-8,582	1,878	2,210	-45,088
Natural Gas	227	34,919	129,061	296,131	241,402	-72,113
Gasoline	34,130	-1,629	-21,618	-80,755	-71,727	-81,015
WTI Crude	209,734	51,991	86,689	-22,455	-73,989	-93,632
Live Cattle	4,382	2,018	3,019	-85,871	-78,913	-148,252
Brent Crude	134,119	22,665	55,614	-294,871	-276,411	-245,746

Market Flows - Open Interest

Name	Current	MTD % Change	3 Mth % Change	YTD % Change
▼ Open Interest (Aggregate - 1,000s)				
▼ Single Commodities				
Aluminum	604	7.9	12.7	16.8
Soybean	809	4.1	-1.3	13.2
Crude Oil	2,283	-0.6	4.0	7.0
Brent Crude	2,692	6.3	4.0	5.3
Gas Oil	869	0.1	-1.3	-3.2
Unlead Gas	367	1.4	-5.2	-3.4
Sugar	954	-5.1	-18.7	-3.8
Corn	1,407	2.1	-8.2	-4.7
Natural Gas	1,207	-0.7	-17.8	-5.5
Soybean Meal	405	1.3	-17.2	-6.3
Zinc	137	0.7	-14.9	-8.1
Soybean Oil	459	0.7	-16.7	-9.1
Wheat	345	-5.2	-31.8	-15.7
Heating Oil	366	4.9	-8.3	-16.1
Coffee	231	-3.8	-22.7	-16.9
HRW Wheat	220	-0.9	-27.6	-18.2
Copper (LME)	151	0.7	-23.4	-20.1
Cotton	176	-9.3	-34.3	-21.1
Nickel	139	-1.4	-17.8	-23.6
Lean Hogs	208	-8.0	-30.7	-26.0
Live Cattle	269	2.3	-25.9	-29.2
Gold	500	-3.5	-28.1	-35.2
Silver	139	0.0	-38.8	-38.8
Copper (CME)	164	-9.9	-34.1	-39.0
Platinum	51	-5.6	-51.4	-48.0
Palladium	8	0.0	-66.7	-66.7

PERFORMANCE: Bloomberg Commodity Indices

Composite Indices

* Click hyperlinks to open in Bloomberg

Index Name	Ticker	2020									
		Apr	YTD	1-Year	3-Year	5-Year	10-Year	20-Year	30-Year	40-Year	50-Year
Bloomberg Commodity ER	BCOM	-1.55%	-24.71%	-24.42%	-27.51%	-41.30%	-54.79%	-37.14%	-35.19%	-52.25%	262.24%
Bloomberg Commodity TR	BCOMTR	-1.54%	-24.47%	-23.18%	-23.69%	-37.83%	-51.96%	-13.42%	45.48%	160.52%	3752.95%
Bloomberg Commodity Spot	BCOMSP	2.35%	-20.37%	-18.23%	-14.74%	-17.14%	-22.24%	144.92%	187.69%	161.40%	1418.62%
Bloomberg Roll Select	BCOMRST	0.43%	-19.12%	-18.24%	-19.95%	-30.51%	-41.34%	96.71%			
1 Month Forward	BCOMF1T	-0.66%	-22.15%	-20.68%	-20.07%	-33.18%	-44.84%	53.01%			
2 Month Forward	BCOMF2T	0.00%	-20.65%	-19.37%	-16.40%	-28.97%	-42.32%	89.97%			
3 Month Forward	BCOMF3T	0.22%	-19.54%	-17.66%	-15.73%	-27.77%	-39.90%	99.22%			
4 Month Forward	BCOMF4T	0.87%	-18.33%	-16.76%	-14.82%	-24.00%	-34.26%				
5 Month Forward	BCOMF5T	0.78%	-17.28%	-15.18%	-12.30%	-21.76%	-32.74%				
6 Month Forward	BCOMF6T	0.92%	-16.66%	-15.11%	-11.81%	-20.53%	-31.24%				
Energy	BCOMENTR	-3.46%	-52.79%	-56.36%	-48.71%	-70.02%	-85.50%	-81.24%	-44.99%		
Petroleum	BCOMPETR	-14.91%	-66.05%	-66.32%	-53.66%	-73.54%	-82.79%	-51.13%			
Agriculture	BCOMAGTR	-5.67%	-14.97%	-7.59%	-28.38%	-34.80%	-36.39%	-34.97%	-35.80%	0.77%	1129.22%
Grains	BCOMGRTR	-5.97%	-12.75%	-4.73%	-26.05%	-37.74%	-38.87%	-44.94%	-55.03%	-33.45%	320.50%
Industrial Metals	BCOMINTR	2.29%	-16.59%	-18.13%	-10.60%	-20.17%	-43.41%	72.15%			
Precious Metals	BCOMPRTR	5.90%	4.73%	23.61%	18.87%	25.24%	18.67%	367.20%	311.49%	140.85%	
All Metals	BCOMAMT	4.24%	-6.08%	0.76%	4.26%	1.97%	-17.37%	203.81%			
Softs	BCOMSOTR	-3.59%	-19.83%	-14.51%	-39.68%	-39.29%	-47.05%	-55.66%	-50.25%	-19.43%	2299.03%
Livestock	BCOMLITR	-5.13%	-31.82%	-37.31%	-37.71%	-44.08%	-47.51%	-69.15%	-56.61%		
Ex-Energy	BCOMXETR	-0.72%	-12.10%	-6.41%	-14.22%	-19.06%	-27.22%	27.90%			
Ex-Petroleum	BCOMXPET	0.55%	-12.62%	-10.11%	-19.62%	-27.66%	-44.19%				
Ex-Natural Gas	BCOMXNGT	-2.87%	-25.15%	-21.97%	-20.41%	-33.45%	-42.03%				
Ex-Agriculture	BCOMXAGT	0.70%	-28.51%	-29.08%	-22.30%	-39.80%	-58.97%				
Ex-Grains	BCOMXGRT	-0.45%	-26.75%	-26.37%	-23.30%	-38.09%	-55.55%				
Ex-Industrial Metals	BCOMXIMT	-2.35%	-26.09%	-24.26%	-26.68%	-41.46%	-53.98%				
Ex-Precious Metals	BCOMXPMT	-3.59%	-30.41%	-31.26%	-31.30%	-46.97%	-60.75%				
Ex-Softs	BCOMXSOT	-1.36%	-24.84%	-23.85%	-22.54%	-38.11%	-52.91%				
Ex-Livestock	BCOMXLIT	-1.29%	-23.97%	-22.20%	-22.75%	-37.49%	-52.30%				
Ex-Agriculture & Livestock	BCOMXALT	1.33%	-28.15%	-28.28%	-20.83%	-39.48%	-60.08%				
Bloomberg Dollar Spot	BBDXY	-0.36%	4.87%	3.58%	2.13%	6.63%	22.24%				
Bloomberg US Large Cap TR	B500T	13.04%	-8.48%	1.81%	31.06%	56.08%	205.96%				
US Aggregate	LBUSTRUU	1.78%	4.98%	10.84%	16.33%	20.49%	47.46%	174.90%	498.28%	1766.89%	
US Treasury	LUATTRUU	0.64%	8.89%	14.27%	18.44%	21.00%	45.05%	160.24%	464.36%	1579.86%	
US Corporate	LUACTRUU	5.24%	1.42%	9.88%	17.80%	25.01%	67.02%	227.21%	638.20%	2356.83%	
US High Yield	LF98TRUU	4.51%	-8.75%	-4.11%	5.70%	18.42%	76.81%	270.68%	922.15%		

Single Commodity Indices

Index Name	Ticker	2020									
		Apr	YTD	1-Year	3-Year	5-Year	10-Year	20-Year	30-Year	40-Year	50-Year
Natural Gas	BCOMNGTR	12.80%	-18.18%	-41.26%	-60.92%	-76.16%	-95.02%	-99.63%			
Low Sulfur Gas Oil	BCOMGOT	-16.68%	-59.51%	-59.98%	-40.51%	-63.99%	-71.10%	21.76%			
WTI Crude	BCOMCLTR	-24.00%	-74.56%	-75.35%	-67.55%	-83.44%	-91.24%	-77.91%	-23.87%		
Brent Crude	BCOMCOT	-10.71%	-60.94%	-60.65%	-42.38%	-67.23%	-74.74%	17.43%			
ULS Diesel	BCOMHOTR	-18.33%	-59.20%	-59.60%	-42.44%	-65.87%	-72.79%	-14.30%	64.82%		
Unleaded Gasoline	BCOMRBTR	16.38%	-62.87%	-61.88%	-50.72%	-68.32%	-68.18%	4.80%	227.27%		
Corn	BCOMCNTR	-7.60%	-19.56%	-18.18%	-36.20%	-47.33%	-47.87%	-82.37%	-89.07%	-83.35%	-50.87%
Soybeans	BCOMSYTR	-4.30%	-12.17%	-6.44%	-24.13%	-26.48%	8.61%	167.64%	178.37%	279.89%	2902.06%
Wheat	BCOMWHTR	-7.85%	-5.95%	21.35%	-7.00%	-31.77%	-63.68%	-83.04%	-90.61%	-86.84%	-31.90%
Soybean Oil	BCOMBOTR	-2.81%	-25.17%	-9.13%	-25.31%	-31.35%	-54.83%	-30.60%	-44.33%	-13.73%	1189.64%
Soybean Meal	BCOMSMT	-9.80%	-6.39%	-8.09%	-18.20%	-16.89%	78.74%	741.42%			
HRW Wheat	BCOMKWT	-2.41%	-2.00%	12.24%	-26.17%	-53.30%	-67.38%	-71.51%			
Copper	BCOMHGTR	4.64%	-16.64%	-19.24%	-11.81%	-22.80%	-37.74%	221.83%	497.90%		
Aluminum	BCOMALTR	-2.99%	-19.29%	-19.45%	-24.47%	-30.59%	-56.08%	-39.41%			
Zinc	BCOMZSTR	1.54%	-14.96%	-28.58%	-15.53%	-9.49%	-23.47%	24.87%			
Nickel	BCOMNITR	5.86%	-13.59%	0.36%	28.20%	-15.78%	-58.17%	100.66%			
Gold	BCOMGCTR	6.13%	10.92%	30.74%	30.74%	38.22%	34.54%	444.17%	335.79%	208.72%	
Silver	BCOMSITR	4.84%	-17.32%	-1.95%	-16.66%	-13.60%	-28.81%	145.65%	146.63%	-16.27%	
Sugar	BCOMSBTR	-1.24%	-21.02%	-22.10%	-46.46%	-43.32%	-51.96%	-26.12%	-26.93%	-84.71%	46.94%
Coffee	BCOMKCTR	-11.87%	-20.16%	2.84%	-41.42%	-53.06%	-68.06%	-90.68%	-85.93%	-78.34%	
Cotton	BCOMCTTR	11.56%	-17.86%	-26.60%	-25.72%	-18.50%	-1.23%	-71.06%	-55.22%	79.12%	972.79%
Live Cattle	BCOMLCTR	-6.64%	-27.74%	-25.77%	-30.46%	-33.46%	-22.82%	-26.93%	26.06%	548.01%	2493.28%
Lean Hogs	BCOMLHTR	-2.27%	-38.19%	-53.17%	-51.01%	-59.97%	-74.25%	-92.75%	-94.06%		

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
		Apr	YTD								
BCOM Roll Select	BCOMRST	0.43%	-19.12%	-18.24%	-19.95%	-30.51%	-41.34%	96.71%			
Roll Select Agriculture	BCOMRAGT	-5.12%	-15.29%	-8.43%	-27.22%	-32.45%	-29.20%	15.23%			
Roll Select Ex-Ags & Livestock	BBURXALT	3.90%	-20.32%	-20.71%	-14.65%	-28.36%	-48.24%				
Roll Select Grains	BCOMRGRT	-4.94%	-12.74%	-5.63%	-23.78%	-34.48%	-32.65%	3.26%			
Roll Select Softs	BCOMRSOT	-3.42%	-20.95%	-16.32%	-43.16%	-41.28%	-41.43%	-25.38%			
Roll Select Livestock	BCOMRLIT	-3.90%	-26.00%	-36.40%	-40.82%	-50.51%	-43.10%	-6.39%			
Roll Select Energy	BCOMRENT	2.95%	-37.03%	-41.94%	-34.62%	-53.28%	-73.03%	4.46%			
Roll Select Ex-Energy	BCOMRXET	-0.25%	-11.62%	-6.68%	-14.40%	-18.58%	-22.45%	110.77%			
Roll Select Petroleum	BCOMRPET	-5.62%	-50.65%	-51.26%	-34.78%	-55.64%	-67.44%	109.33%			
Roll Select Industrial Metals	BCOMRINT	2.27%	-16.73%	-18.77%	-12.21%	-20.51%	-41.57%	146.28%			
Roll Select Precious Metals	BCOMRPRT	6.45%	5.04%	24.19%	19.39%	26.19%	20.19%	383.34%			

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
		Apr	YTD								
Natural Gas RS	BCOMRNGT	16.22%	-5.89%	-31.94%	-55.62%	-65.02%	-88.86%	-93.06%			
Low Sulfur Gas Oil RS	BCOMRGOT	-11.71%	-53.23%	-55.21%	-34.71%	-59.06%	-66.70%	51.17%			
WTI Crude RS	BCOMRCLT	-6.55%	-47.98%	-49.04%	-33.35%	-53.71%	-70.38%	110.04%			
Brent Crude RS	BCOMRCOT	-0.43%	-50.37%	-50.00%	-29.47%	-55.10%	-64.15%	140.95%			
ULS Diesel RS	BCOMRHOT	-14.64%	-56.78%	-58.17%	-44.74%	-64.31%	-72.51%	47.68%			
Unleaded Gasoline RS	BCOMRRBT	1.14%	-51.39%	-50.93%	-36.52%	-51.75%	-51.88%	146.14%			
Corn RS	BCOMRCNT	-6.64%	-18.44%	-19.29%	-33.52%	-43.95%	-43.69%	-67.31%			
Soybeans RS	BCOMRSYT	-2.24%	-12.92%	-5.71%	-16.72%	-15.76%	31.03%	296.25%			
Wheat RS	BCOMRWHT	-7.85%	-6.34%	18.88%	-13.13%	-37.64%	-62.83%	-48.08%			
Soybean Oil RS	BCOMRBOT	-2.82%	-25.11%	-9.29%	-25.91%	-31.07%	-50.69%	0.05%			
Soybean Meal RS	BCOMRSMT	-10.32%	-6.84%	-7.45%	-9.46%	-8.71%	104.55%	1081.29%			
HRW Wheat RS	BCOMRKWT	-2.41%	-2.39%	8.26%	-28.43%	-52.92%	-65.28%	-36.67%			
Copper RS	BCOMRHGT	4.62%	-17.05%	-19.81%	-12.30%	-23.16%	-36.70%	342.92%			
Aluminium RS	BCOMRALT	-2.99%	-19.13%	-20.66%	-27.24%	-30.87%	-53.84%	-14.64%			
Zinc RS	BCOMRZST	1.50%	-15.03%	-29.27%	-18.56%	-11.50%	-22.52%	85.07%			
Nickel RS	BCOMRNIT	5.86%	-13.68%	0.20%	27.76%	-15.11%	-55.93%	219.73%			
Gold RS	BCOMRGCT	6.55%	11.15%	31.28%	31.28%	39.37%	35.77%	449.56%			
Silver RS	BCOMRSIT	5.96%	-16.64%	-1.08%	-16.04%	-12.81%	-26.79%	173.23%			
Sugar RS	BCOMRSBT	-1.23%	-23.06%	-24.54%	-53.51%	-48.23%	-53.43%	43.13%			
Coffee RS	BCOMRKCT	-11.31%	-19.64%	1.34%	-42.36%	-53.34%	-64.60%	-85.20%			
Cotton RS	BCOMRCTT	11.56%	-18.52%	-26.77%	-23.35%	-15.33%	21.48%	-54.72%			
Live Cattle RS	BCOMRLCT	-6.64%	-27.48%	-29.27%	-36.04%	-39.22%	-25.54%	16.80%			
Lean Hogs RS	BCOMRLHT	1.59%	-22.91%	-46.24%	-49.00%	-65.45%	-65.60%	-46.30%			

BCOM Constituent Weights

[BCOM Index MEMB <GO>](#)

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Group	Commodity	Ticker	Apr 2020 Contrib to Return %	Apr 30 2020 Weight %	Mar 31 2020 Weight %	Apr 2020 Weight% Change	2020 Target Weight
Energy	Natural Gas	NG	1.03	10.16	7.86	↑ 2.30	7.96%
	Low Sulfur Gas Oil	QS	-0.28	1.44	1.61	↓ (0.17)	2.60%
	WTI Crude	CL	-1.25	3.54	3.39	↑ 0.14	7.99%
	Brent Crude	CO	-0.37	3.44	3.95	↓ (0.50)	7.01%
	ULS Diesel	HO	-0.25	1.16	1.35	↓ (0.19)	2.11%
	Gasoline	XB	0.17	1.33	1.00	↑ 0.33	2.26%
	Subtotal			-0.95	21.07	19.16	↑ 1.92
Grains	Corn	C	-0.50	6.15	6.70	↓ (0.55)	5.83%
	Soybeans	S	-0.29	6.47	6.86	↓ (0.39)	5.64%
	Wheat	W	-0.32	3.67	4.08	↓ (0.41)	3.04%
	Soybean Oil	BO	-0.08	2.81	2.92	↓ (0.11)	2.90%
	Soybean Meal	SM	-0.44	4.09	4.56	↓ (0.47)	3.30%
	HRW Wheat	KW	-0.05	1.93	2.00	↓ (0.07)	1.49%
	Subtotal			-1.68	25.12	27.11	↓ (1.99)
Industrial Metals	Copper	HG	0.32	7.40	7.20	↑ 0.20	6.96%
	Aluminum	LA	-0.14	4.50	4.69	↓ (0.18)	4.33%
	Zinc	LX	0.05	3.58	3.59	↓ (0.02)	3.43%
	Nickel	LN	0.16	3.05	2.94	↑ 0.11	2.75%
	Subtotal			0.39	18.53	18.41	↑ 0.12
Precious Metals	Gold	GC	1.09	18.57	17.91	↑ 0.66	13.62%
	Silver	SI	0.18	3.90	3.77	↑ 0.13	3.78%
	Subtotal			1.27	22.46	21.68	↑ 0.78
Softs	Sugar	SB	-0.03	2.91	2.99	↓ (0.08)	3.01%
	Coffee	KC	-0.40	2.98	3.43	↓ (0.45)	2.71%
	Cotton	CT	0.16	1.55	1.42	↑ 0.14	1.49%
	Subtotal			-0.27	7.44	7.84	↓ (0.40)
Livestock	Live Cattle	LC	-0.26	3.46	3.79	↓ (0.33)	4.02%
	Lean Hogs	LH	-0.05	1.92	2.01	↓ (0.09)	1.78%
	Subtotal			-0.31	5.38	5.80	↓ (0.42)
Total			-1.55	100.00	100.00		100.00%

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