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RENAISSANCEMACRORESEARCH

Commodity Deep-Dive

October 9, 2013

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Table of Contents

Pg 3	**Commodity Trend Table**
Pg 4	**Commodity Correlation Matrix**
Pg 5 – 8	**Gold**
Pg 9	**Silver**
Pg 10	**Platinum**
Pg 11	**Palladium**
Pg 12 - 16	**Copper/Industrial Metals**
Pg 17 – 18	**Crude Oil**
Pg 19	**Natural Gas**
Pg 20	**Coal**
Pg 21	**Corn, Soybean, Wheat, Cotton**
Pg 22	**Sugar, Cocoa, Orange Juice, Coffee**
Pg 23	**Cattle, Lean Hogs, Lumber**

Commodity Trend Table

Precious Metals	Bias	OB/OS	Support	Resistance
Gold	Bearish		1271.80	1434.00
Silver	Bearish		20.63	25.16
Platinum	Bearish		1366.10	1558.00
Palladium	Neutral		682.25	788.45
Energy	Bias	OB/OS	Support	Resistance
Brent Crude	Neutral		105.73	119.17
WTI Crude	Neutral		98.24	114.83
Natural Gas	Neutral		3.450	3.910
NYMEX Coal	Bearish		57.88	63.95
Industrial Metals	Bias	OB/OS	Support	Resistance
Copper	Bearish		298.55	341.80
LME Aluminum	Bearish		1758.00	1981.00
LME Lead	Neutral-bearish		1938.00	2259.25
LME Nickel	Bearish		13205.00	15600.00
LME Tin	Neutral		20950.00	25250.00
LME Zinc	Neutral-bearish		1811.75	1970.00
Softs	Bias	OB/OS	Support	Resistance
Cocoa	Bullish		2406.00	2851.00
Coffee	Bearish		113.20	134.00
Orange Juice	Neutral		122.60	142.83
Sugar	Neutral-bearish	Overbought	17.78	19.12
Cotton	Neutral-Bullish		82.11	93.93
Grains	Bias	OB/OS	Support	Resistance
Corn	Bearish		435.25	528.25
Soybean	Neutral-Bullish		1263.50	1409.74
Wheat	Bearish		635.50	705.75
Livestock	Bias	OB/OS	Support	Resistance
Lean Hogs	Bullish		84.80	91.02
Live Cattle	Neutral-Bullish	Overbought	127.95	132.90
Forest	Bias	OB/OS	Support	Resistance
Lumber	Neutral-Bullish		326.70	368.80

Notable Changes

- **Cocoa**: Bullish breakout completing its multi-year base
- **Sugar**: Improvement from bearish trend with a 65-day breakout, overbought condition, so look for a modest consolidation to hold above August highs
- **Cotton**: Negative volatility day putting uptrend in question, but remains above key support which needs to hold for uptrend to remain intact

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30-day Rolling Correlation Matrix

	Copper	Gold	Silver	Plat	Pall	Cocoa	Coffee	Cotton	O.J.	Sugar	Wheat	Corn	Soybean	Cattle	Hogs	Crude	Nat Gas
Copper		0.68	0.72	0.69	0.52	0.04	-0.04	0.07	-0.20	0.17	0.18	0.19	0.18	0.11	0.04	0.43	0.12
Gold	0.68		0.93	0.81	0.61	0.02	0.20	-0.16	-0.07	0.16	0.44	0.38	0.15	0.20	0.21	0.15	0.05
Silver	0.72	0.93		0.84	0.63	0.03	0.29	-0.28	-0.21	0.29	0.42	0.37	0.19	0.14	0.15	0.20	0.11
Plat	0.69	0.81	0.84		0.72	0.04	0.23	-0.21	0.02	0.22	0.34	0.41	0.19	0.38	0.18	0.24	0.06
Pall	0.52	0.61	0.63	0.72		0.15	0.01	-0.06	-0.01	0.13	0.49	0.31	0.08	0.42	0.04	0.09	0.18
Cocoa	0.04	0.02	0.03	0.04	0.15		0.02	-0.34	0.13	-0.21	0.02	-0.10	-0.09	-0.07	0.10	0.16	0.25
Coffee	-0.04	0.20	0.29	0.23	0.01	0.02		-0.25	0.20	0.35	0.07	0.09	0.17	0.13	0.10	0.24	-0.17
Cotton	0.07	-0.16	-0.28	-0.21	-0.06	-0.34	-0.25		0.11	-0.09	0.14	-0.03	0.02	0.07	0.04	0.22	-0.44
O.J.	-0.20	-0.07	-0.21	0.02	-0.01	0.13	0.20	0.11		0.18	-0.05	-0.09	0.09	0.32	0.27	0.13	-0.04
Sugar	0.17	0.16	0.29	0.22	0.13	-0.21	0.35	-0.09	0.18		0.18	0.03	0.06	-0.15	-0.12	0.17	-0.17
Wheat	0.18	0.44	0.42	0.34	0.49	0.02	0.07	0.14	-0.05	0.18		0.68	0.25	0.27	0.16	0.06	-0.12
Corn	0.19	0.38	0.37	0.41	0.31	-0.10	0.09	-0.03	-0.09	0.03	0.68		0.23	0.23	0.21	-0.05	-0.07
Soybean	0.18	0.15	0.19	0.19	0.08	-0.09	0.17	0.02	0.09	0.06	0.25	0.23		-0.08	0.18	0.47	-0.02
Cattle	0.11	0.20	0.14	0.38	0.42	-0.07	0.13	0.07	0.32	-0.15	0.27	0.23	-0.08		0.27	-0.03	-0.11
Hogs	0.04	0.21	0.15	0.18	0.04	0.10	0.10	0.04	0.27	-0.12	0.16	0.21	0.18	0.27		0.19	-0.04
Crude	0.43	0.15	0.20	0.24	0.09	0.16	0.24	0.22	0.13	0.17	0.06	-0.05	0.47	-0.03	0.19		-0.10
Nat Gas	0.12	0.05	0.11	0.06	0.18	0.25	-0.17	-0.44	-0.04	-0.17	-0.12	-0.07	-0.02	-0.11	-0.04	-0.10	

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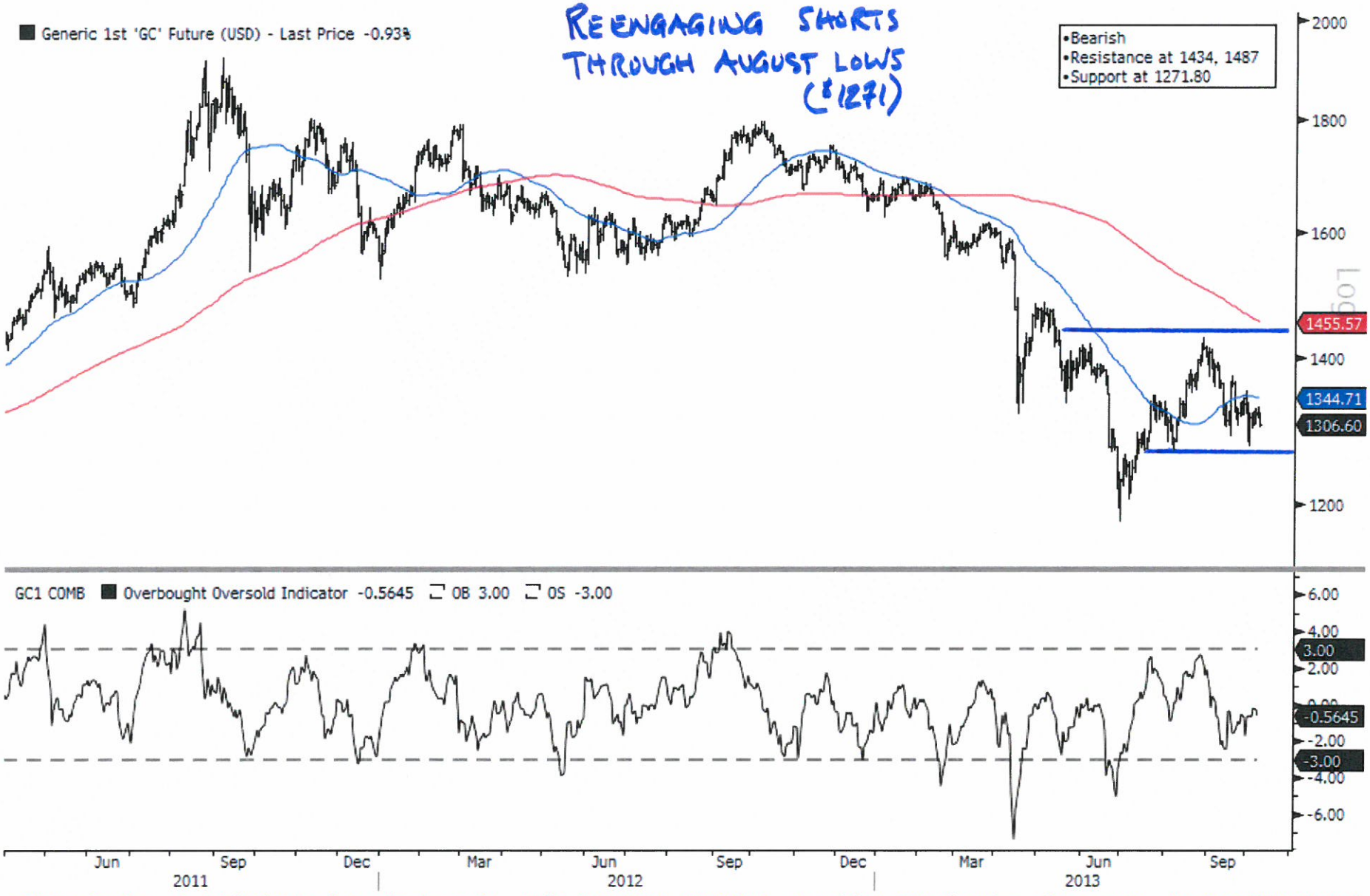
GOLD WEAKENING WITH 50-DAY ROLLING BACK OVER



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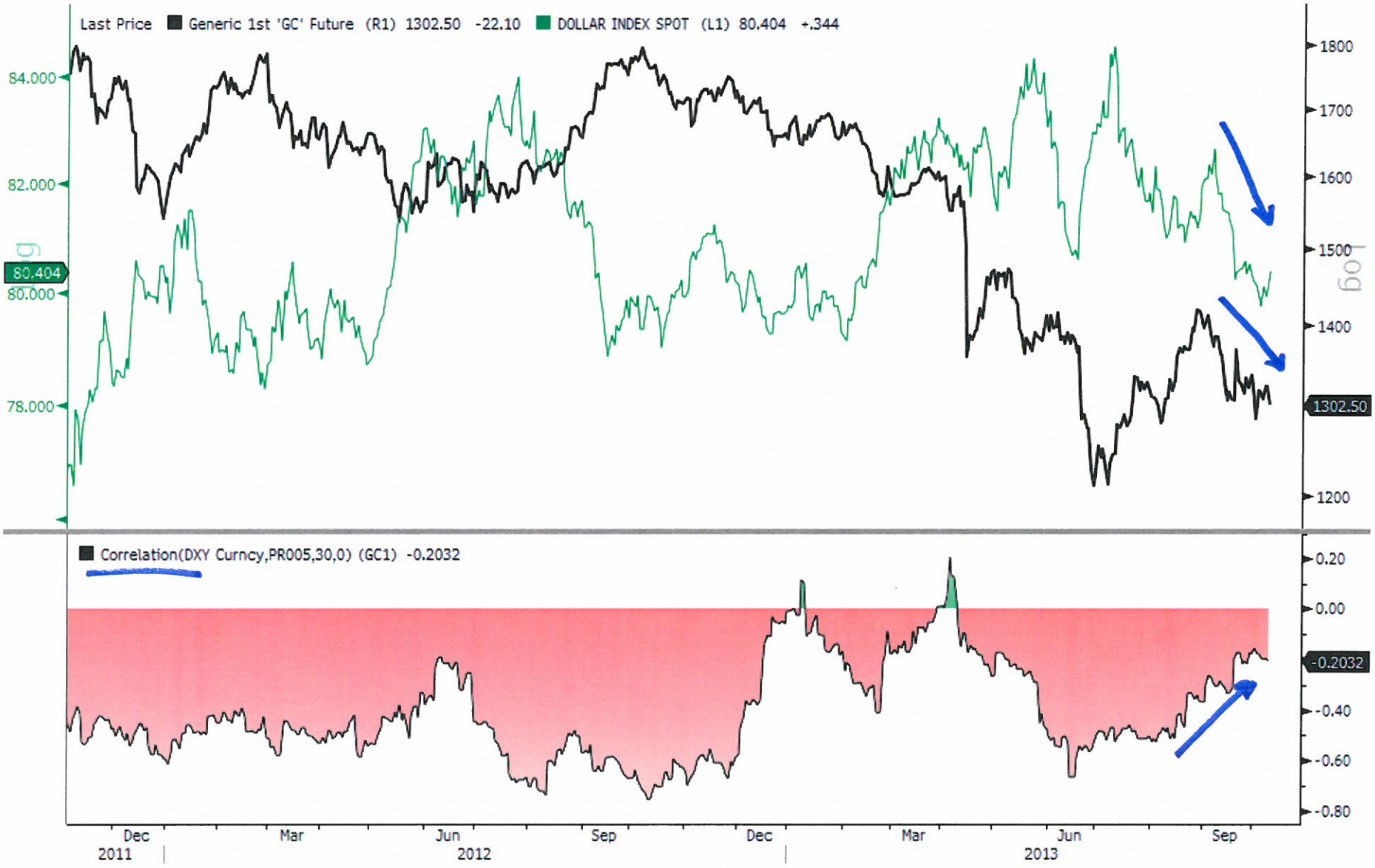
USD SELL-OFF IS NOT SUPPORTING GOLD PRICES, REINFORCING TREND IN OUR VIEW



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GLD TERM STRUCTURE REMAINS INVERTED

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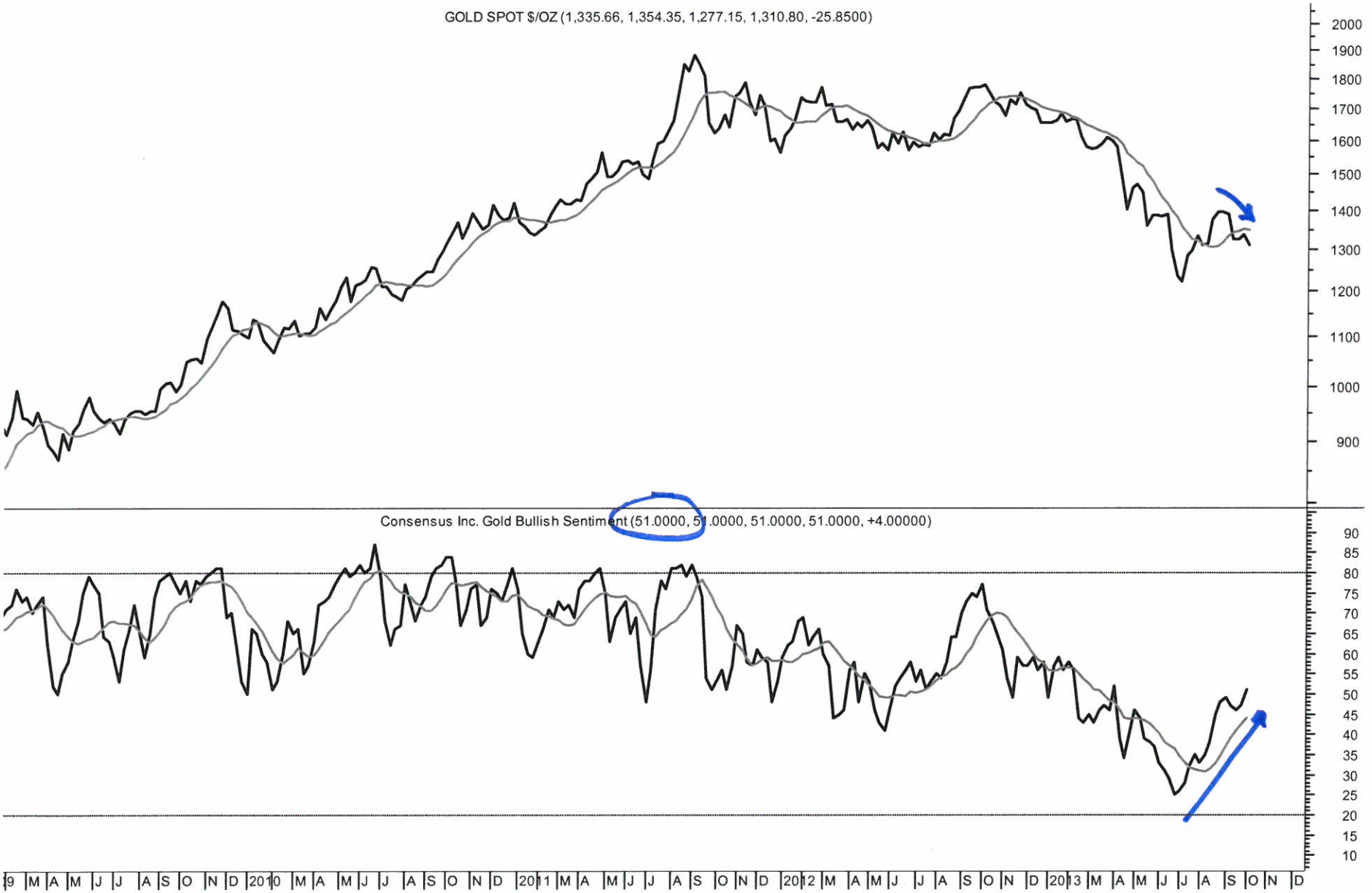
STILL PLENTY OF BULLS GIVEN RECENT WEAKNESS



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SILVER NEVER GOT OVERSOLD

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PLATINUM THROUGH SUPPORT AFTER BREAKOUT FAILURE

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LOOKING FOR PALLADIUM'S SEPT LOW TO CAPTURE WEAKNESS

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COPPER'S 6-MONTH CEILING IS OBVIOUS

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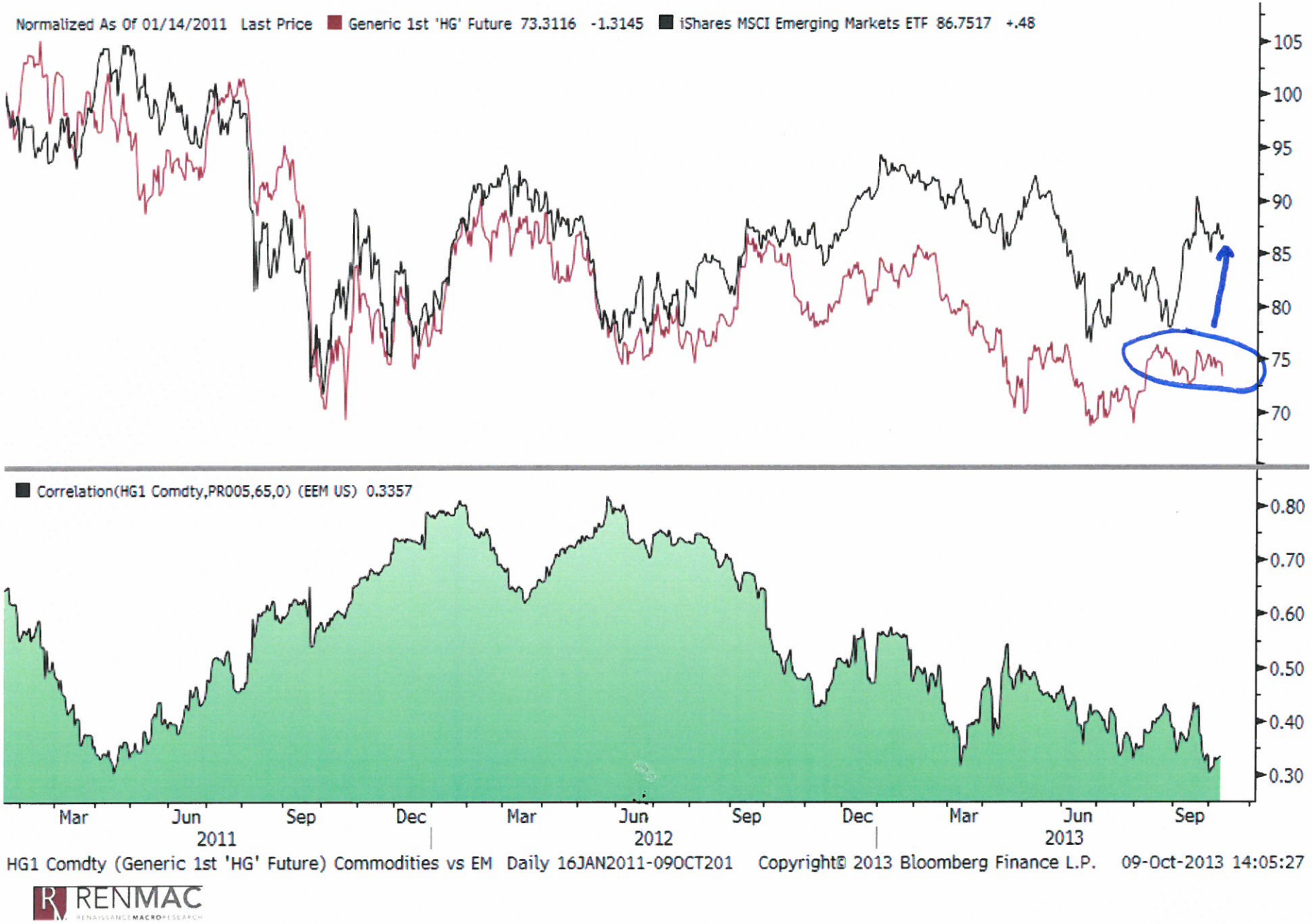
COPPER NOT RALLYING WITH EMERGING MARKETS



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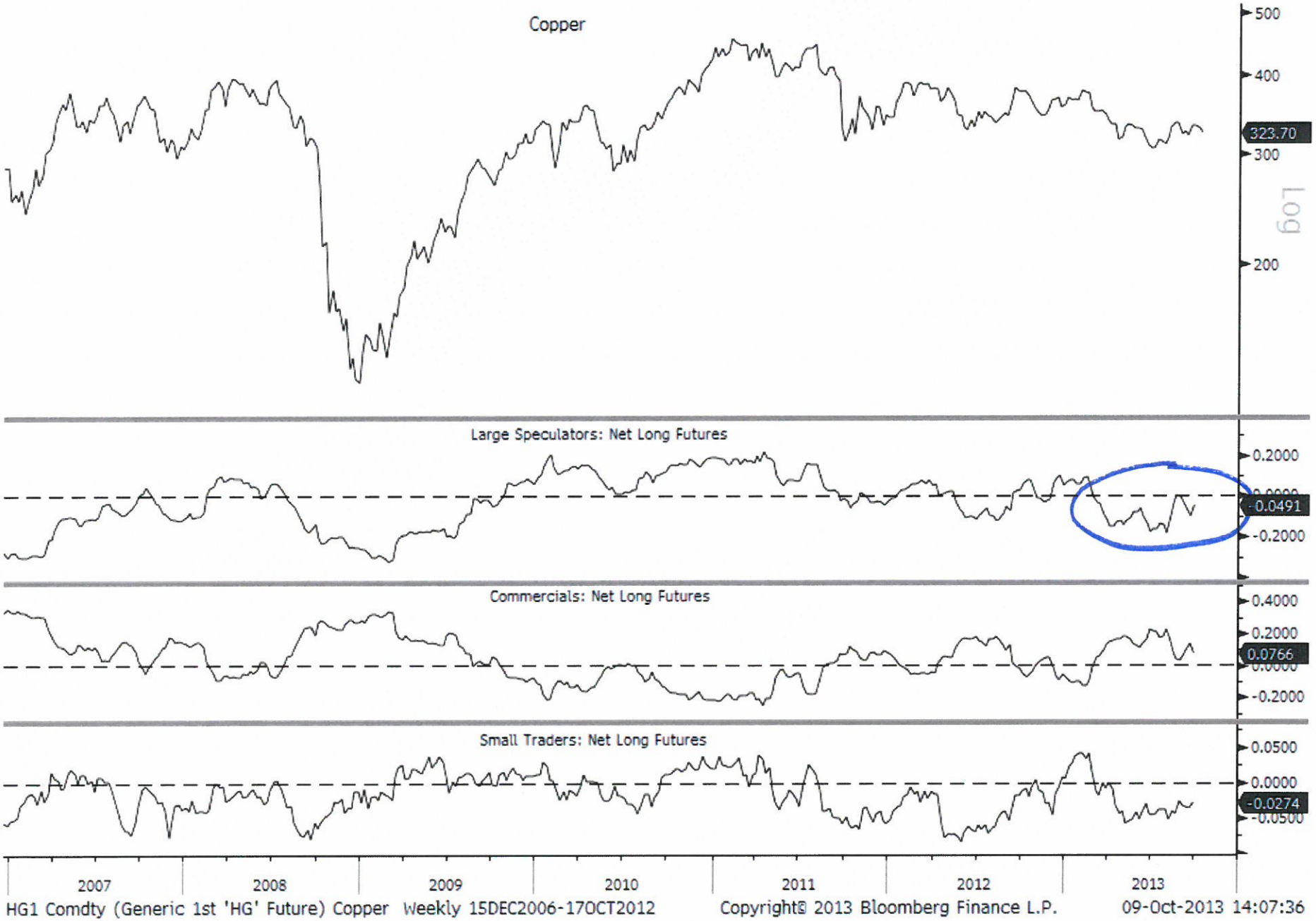
LARGE SPECULATORS REMAIN NET SHORT



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ALUMINUM HAS BEEN STABLE ABOVE JUNE LOWS,
BUT SELLING OFF AT 200-DAY HAS BEEN NOTABLE

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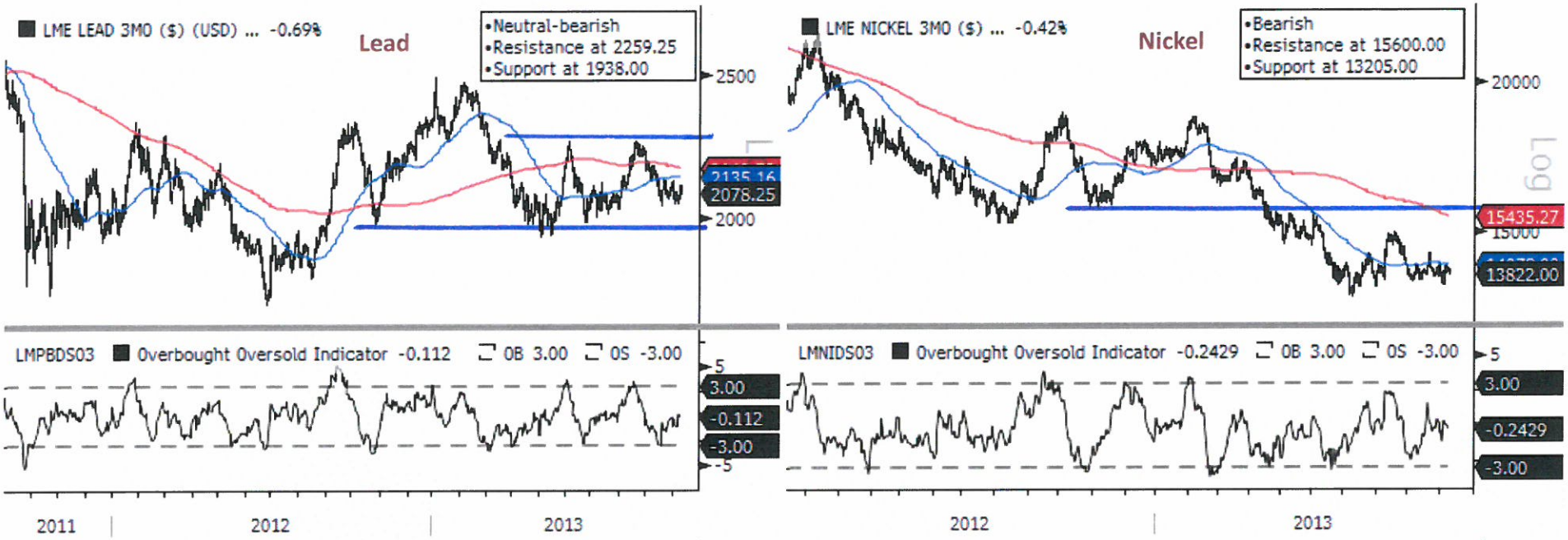
BASE METALS HAVE BEEN APATHETIC



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CRUDE WEAKENING AND NOT YET OVERSOLD

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BRENT TREADING WATER AT 200-DAY

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NAT GAS SEEMS RANGE-BOUND HERE

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Coal is extremely weak

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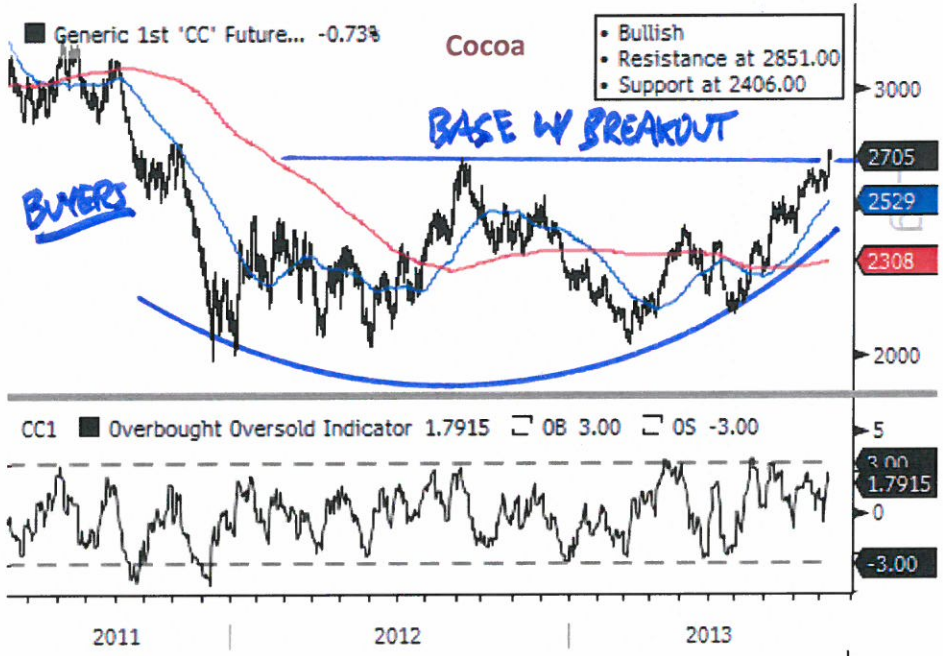

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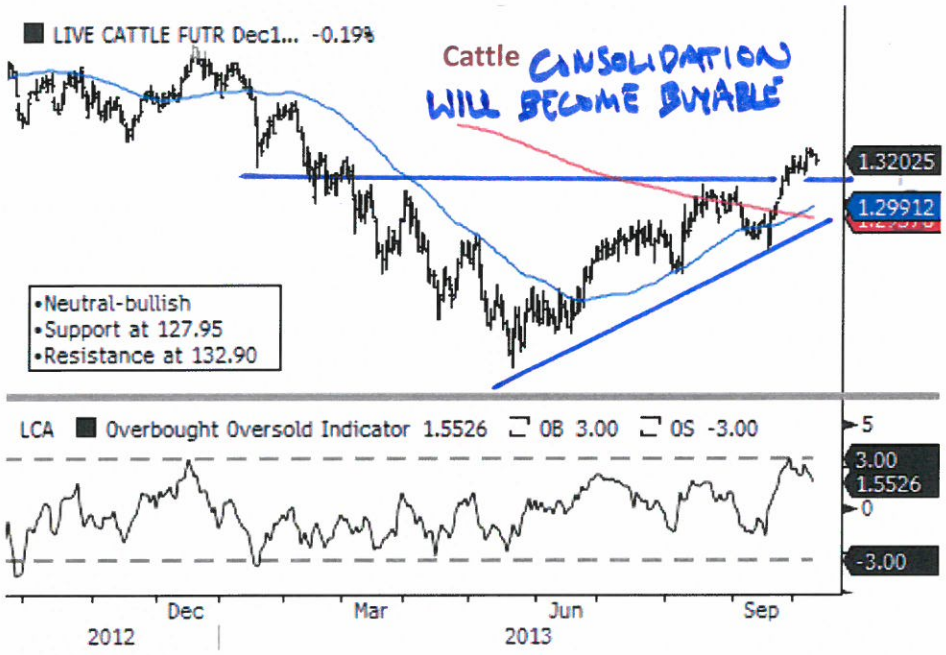

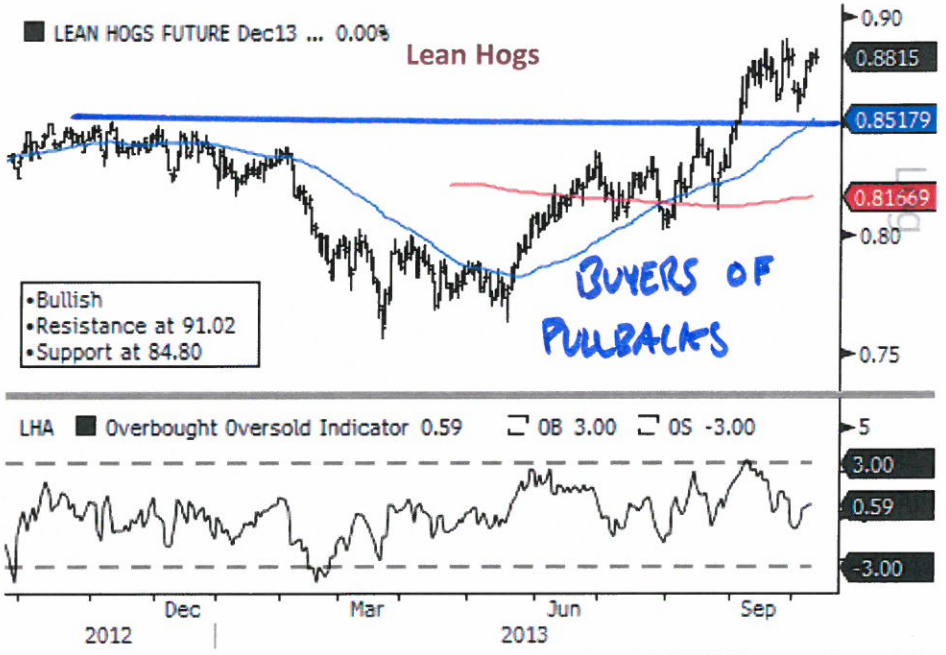

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