

Bloomberg Commodity Outlook

# Crude, Corn vs. Copper, Gold

- Duds vs. Studs: Corn, Crude Oil Losing Ground vs. Copper, Gold
- Energy-Price Optimism Faces Greener Post-Covid-19 Realism
- \$10,000 Copper, \$2,000 Gold? Metals Poised to Take the Medal
- From Best to Worst in 2021? Corn Deflation Risks Are Elevated

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Data and outlook as of May 28, 2021

**Mike McGlone** – BI Senior Commodity Strategist

**BI COMD** (the commodity dashboard)

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

## Duds vs. Studs: Corn, Crude Oil Losing Ground vs. Copper, Gold

Performance: May +2.7%, 2021 +18.9%, Spot +20.2%  
(Returns are total return (TR) unless noted)

(Bloomberg Intelligence) -- The optimism for recovery that's priced in commodities is the risk for the rest of 2021, as we expect more of the same conditions from before the pandemic, favoring ones with low rather than high supply elasticity. Corn and crude oil have been major duds in the past decade and for good reason, as rapidly advancing technology has buoyed supply at a greater pace than demand. This isn't new by historical standards, but the pace of electrification, decarbonization and digitalization is accelerating. Supply is harder to bring on in metals, which are the easiest to store and sit at the forefront of demand from innovation.

If 2021 can get to year-end with the stock market staying its upward trajectory, broad commodities should be fine. Gold and silver appear well situated if equities revert a bit.

## Metals Set to Take 2H Medal

**Corn, Copper, Crude Oil and Gold: Which Might Tear Higher in 2H?** Rising U.S. debt-to-GDP is joining death and taxes as life's certainties, with commodity implications that shine on the metals, in our view. Midterm elections are approaching, and President Joe Biden's \$6 trillion spending proposal should tilt favor toward the commodities with less supply elasticity and that are easy to store, notably gold and copper.

### Unstoppable Trends? Debt, Rising Stock Market



### What Reverses Commodity Dependence on Equities?

Store-of-value assets and metals top our list of candidates to benefit from rapidly rising federal debt and commodity-price dependence on the stock market. The graphic depicts two enduring upward-sloping trends -- U.S. debt-to-GDP and commodity correlations to equity prices. At about 0.70, the 40-quarter correlation of the Bloomberg Commodity Spot Index to the S&P 500 is the highest in the database since 1960. We believe something will eventually give and investors may benefit from metals diversification. Gold has typically been the standout, but appears increasingly naked if not paired with digital equivalent Bitcoin. Industrial and precious metals with some cryptos in the mix may reflect a commodity supercycle of the future.

### Elevated 2H Reversion Risks - Higher Gold, Lower Oil.

Crude oil atop our 2021 performance scorecard vs. gold at the bottom has high potential for 2H reversion, in our view. If West Texas Intermediate continues to do what it has most of the time since peaking in 2018 and plunging in 2014, prices will have little room above \$70 a barrel, with implications for gold. The metal's decline to the low of about \$1,680 an ounce in March on rising U.S. bond yields and crude prices may be sufficient. A solid gold base appears to be forming below \$1,700.

### Commodities Will Be Fine If Stocks Keep Rising

Security	YTD	↓	Qtr May	1Yr % Chg	2Yr % Chg
Generic 1st 'CL' Future	+36.7%		+4.3%	+96.7%	12.1%
Generic 1st 'HG' Future	+32.9%		+4.7%	+93.8%	73.5%
Bloomberg Commodity Spot Index	+20.2%		+2.8%	+62.1%	40.4%
Bloomberg Commodity Index Total	+18.9%		+2.7%	+48.0%	18.7%
Russell 2000 Index	+14.9%		+1%	+62.0%	50.9%
S&P 500 Total Return Index	+12.6%		+7%	+41.0%	55.5%
S&P 500 INDEX	+11.9%		+5%	+38.8%	50.0%
MSCI World ex USA Net Total Re	+10.7%		+3.2%	+37.7%	32.3%
MSCI Emerging Markets Net Total	+5.5%		+7%	+49.4%	43.5%
Generic 1st 'GC' Future	+5%		+7.8%	+10.2%	48.6%
Bloomberg Dollar Spot	-2%		-1.3%	-9.1%	-7.3%
Broad Dollar Index	-2%		-9%	-9.1%	-4.3%
Bloomberg Barclays U.S. Treasu	-11.4%		+5%	-12.8%	12.2%

Seemingly unstoppable trends in rising debt and quantitative easing should keep gold buoyed. If crude oil peaks and yields decline, underpinnings for gold improve. Resource nationalism is adding support to copper, which we see as a fundamentally strong bull market, albeit stretched at the end of May.



## Strong Energy, Weak Precious Metals May Trade Places.

It's a battle between the high elasticity-of-supply commodities vs. the low, and we expect the latter, represented by the metals, to prevail into year-end. Crude oil and corn are the most significant commodities in their sectors, and bringing on supply hasn't been an issue for most of the past decade. Both have bounced from the 2020 extreme lows, but appear elevated within enduring bear markets. May's highest grain prices since 2012 should inspire fence post-to-fence post Corn Belt planting, and unless there's a drought, more of the same supply elasticity is set to overwhelm demand.

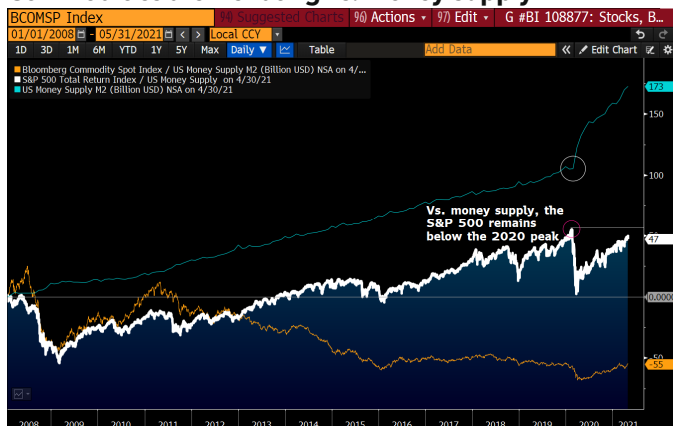
### Trend Blips? Energy Up, Precious Metals Down

Security	%YTD	Chg May	1Yr % Chg	2Yr % Chg
Bloomberg Energy Subindex Tota	+29.7%	+3.3%	+46.1%	-28.3%
Bloomberg Industrial Metals Su	+21.5%	+3.8%	+66.5%	45.2%
Bloomberg Agriculture Subindex	+20.7%	-0.9%	+66.4%	45.2%
Bloomberg Grains Subindex Tota	+20.6%	-3.9%	+65.7%	42.1%
BBG Softs TR	+16.7%	+5.3%	+51.3%	32.0%
Bloomberg Livestock Subindex T	+11.9%	+2.9%	+19.1%	-18.5%
Bloomberg All Metals Total Ret	+10.5%	+5.8%	+37.7%	47.9%
Bloomberg Precious Metals Subi	+1.3%	+7.8%	+16.2%	52.3%

Crude oil is in a similar predicament, but demand that has been flat in the U.S. for about two decades faces more of the same and migration to the rest of the world, in the midst of being replaced by technology.

**Top Deflationary Risk? Stock Market Decline.** Optimism for sustained appreciation in broad commodities may crash into the reality of enduring deflationary forces in place before Covid-19, in our view. A check of potential demand-pull forces that historically have fueled rising commodity prices is to consider where things would stand absent unprecedented fiscal and monetary stimulus. Our graphic depicts the Bloomberg Commodity Spot Index decline of almost 60% vs. M2 money supply since the start of 2008. Juxtaposed is the roughly 50% advance in the S&P 500's total return.

### Commodities are Deflating vs. Money Supply

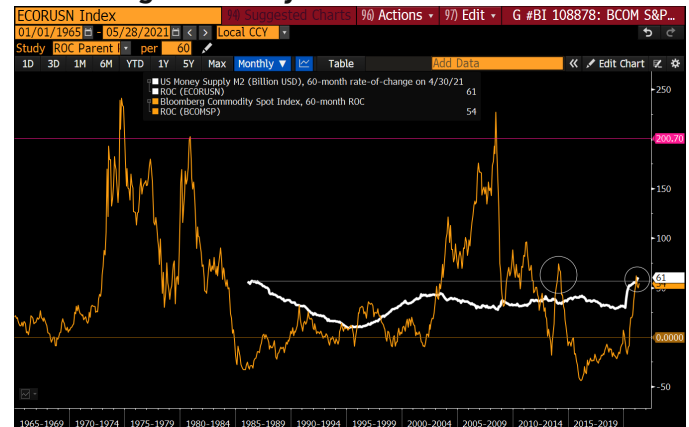


About a 170% increase in money supply is a main driver and the impetus behind authorities' ability to pump out massive amounts of fiscal and monetary stimulus -- deflationary forces, notably because of rapidly advancing technology. Crude oil is a primary victim.

**Has the Post 2008 Trend Changed for Commodities?** The commodity price bounce in 2021 is about as good as it gets, we believe. To May 18, the Bloomberg Commodity Spot Index 60-month rate-of-change of about 50% has reached the highest since just prior to the oil-price plunge in 2014. Our graphic depicts a primary driver of the commodity recovery: plenty of money in the system, with M2 money supply up about 60% on a five-year basis. A 60% rise in money supply for a 50% increase in broad commodity prices is an indication of diminishing returns.

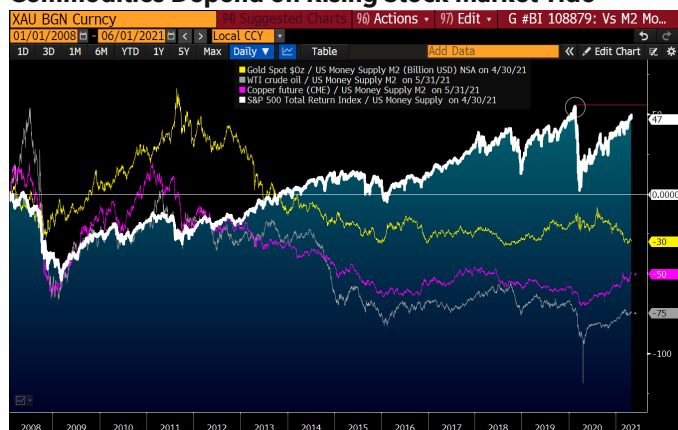
Money supply advancing at the greatest pace in our database since 1980 makes sense due to the pandemic, but it's the aftermath that matters. Getting back to normal may pressure commodity-price appreciation back toward zero, where it was before 3Q. From 1984-2002, broad commodity prices were essentially unchanged.

### Diminishing Commodity Returns vs. M2



**Top Risk to Commodity Recovery: Normalization.** A primary headwind for commodity prices for most of history is greater supply elasticity, and we see risks tilted toward more of the same as things normalize. Optimism for a return to pre-pandemic lifestyles is a primary outlier. More flexible work-life routines and commuting may never be the same, which means less demand for motor fuel. In addition, business travelers are more likely to conduct extensive video meetings before hopping on airplanes. It may be years before jet-fuel demand returns to pre-Covid-19 levels.

## Commodities Depend on Rising Stock Market Tide



Our graphic depicts deflationary trends in gold, crude oil and copper, which haven't been able to keep up with M2 money supply since the start of 2008. The stock market is an M2 outperformer, which nudges most of the risk toward equities. Commodities rely on a rising stock market.

## Index Performance (as of May 28)

Name		1 Mth %	3 Mth %	YTD %	1 Yr %	2 Yr %
		Change	Change	Change	Change	Change
▼ <b>Commodities</b>						
▼ BCOM Index TR	(22)	2.9	8.9	18.9	48.0	18.7
▶ Energy Index	(23)	2.7	6.6	29.7	46.1	-28.3
▼ All Metals Index	(35)	5.6	9.6	10.5	37.7	47.9
▶ Industrial Metals Index	(43)	3.8	10.3	21.5	66.5	45.2
▶ Precious Metals Index	(17)	7.3	8.9	1.3	16.2	52.3
▼ Ags & Livestock Index	(0)	0.9	10.3	19.5	58.8	33.2
▶ Livestock Index	(12)	3.7	6.8	11.9	19.1	-18.5
▼ Agriculture Index	(6)	0.4	11.0	20.7	66.4	45.2
▶ Grains Index	(1)	-1.4	11.3	20.6	65.7	42.1
▶ Softs Index	(25)	3.3	6.7	16.7	51.3	32.0
▶ BCOM EX Indices TR						
▶ BCOM Index Roll Select TR	(23)	3.3	9.6	19.1	46.9	23.6
▶ BCOM Index Forwards TR						
▶ BCOM Index ER	(22)	2.9	8.9	18.9	47.9	16.9
▶ BCOM Index Spot	(22)	3.0	9.4	20.2	62.1	40.4
▼ <b>Stocks</b>						
▶ S&P 500 Index TR	(10)	0.7	10.7	12.6	41.0	55.5
▼ <b>Bonds</b>						
▶ Barclays U.S. Aggregate	(00)	0.4	-0.1	-2.3	-0.1	9.7
▼ <b>Currencies</b>						
▶ Bloomberg U.S. Dollar Spot Index	(0)	-0.6	-1.5	-0.2	-9.1	-7.3
US Dollar Index	(0)	-0.6	-0.9	0.1	-8.5	-8.1
US Trade Weighted Broad Dollar	(1)	-1.0	-0.6	-0.2	-9.1	-4.3

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

Name	Current Position	1 Yr Ago	1 Yr Change	YTD Change
▼ <b>1 Year Spread % of First Cont...</b>				
▶ BCOM	3.2	-10.9	14.1	1.9
▼ <b>Sector</b>				
▶ Energy	7.0	-22.7	29.7	7.5
▶ Agriculture	3.8	-6.2	10.0	-1.1
▶ Livestock	3.3	-19.7	23.0	4.6
▶ Industrial Metals	-0.6	-2.6	2.0	0.3
▶ Precious Metals	-0.6	-2.0	1.3	0.5
▼ <b>Single Commodities</b>				
Lean Hogs	21.3	-28.9	50.1	19.6
Soybean Oil	16.5	-5.4	22.0	5.6
Corn	15.5	-11.1	26.7	6.5
Thermal Coal	14.6	-17.3	32.0	5.3
Soybean	12.1	-1.9	14.0	-3.5
Natural Gas	10.6	-40.9	51.5	26.4
Sugar	8.5	-6.1	14.6	0.6
Crude Oil	8.3	-11.2	19.5	5.8
Brent Crude	6.6	-16.1	22.6	3.9
Unleaded Gas	5.0	-18.1	23.1	1.0
Soybean Meal	2.8	-3.6	6.4	-13.7
Heating Oil	2.2	-29.5	31.6	5.5
Gas Oil	1.4	-26.1	27.5	4.9
Palladium	0.1	-2.0	2.2	-0.3
Copper (LME)	0.1	-1.5	1.7	-0.1
Copper (CME)	0.0	-2.4	2.5	0.1
Wheat	-0.3	-4.2	3.9	0.0
Silver	-0.6	-1.8	1.3	0.7
Gold	-0.7	-2.1	1.4	0.3
Nickel	-0.7	-2.2	1.4	0.5
Platinum	-0.9	-0.1	-0.8	0.0
Cotton	-1.1	-4.7	3.6	-4.8
Aluminum	-1.1	-5.5	4.3	0.5
Zinc	-1.3	-1.6	0.3	0.3
Coffee	-5.2	-9.3	4.1	1.0
HRW Wheat	-5.3	-7.8	2.5	-2.2
Live Cattle	-14.7	-10.5	-4.1	-10.3

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: May +3.3%, 2021 +29.7%, Spot +31.6%

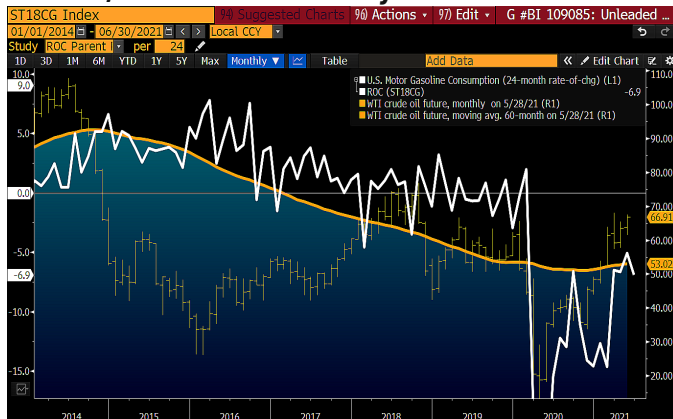
### Too Much Optimism?

#### Energy-Price Optimism Faces Greener Post-Covid-19 Realism.

As June marks the start of summer driving season, our analysis shows risks tilt toward more of the same headwinds for crude oil in place since the 2014 price plunge. West Texas Intermediate is dependent upon an unlikely combination of a rising stock market, increasing crude demand and declining supply to sustain above \$70 a barrel.

**Something Out of Place in This Chart? Crude Oil.** The world changed in 2020, and we see greater risk for slack motor-fuel demand, like it was before the pandemic, with bearish implications for crude oil prices. Energy Department estimates for U.S. gasoline demand of 9 million barrels a day in 2022 are optimistic. What's notable is demand is about the same as 20 years ago. Our graphic depicts the paradigm shift of fuel consumption in place for most of the past two decades -- flat incremental demand. The 24-month rate of change in demand is about minus 7% vs. a flat pre-lockdown reading in 2020.

#### Demand, Price Trends Unfriendly for Crude Oil



Commuting is a top gasoline use. With the shift to more flexible work schedules, we expect slack demand to worsen. The proliferation of electric vehicles will add pressure to gasoline consumption.

#### What About Covid-19 Changed the Crude vs. Gold Trend?

Crude oil and the energy sector face unfavorable micro and macroeconomic trends, keeping pressure on prices. The key issue near term is that levels have recovered to the upper end of elongated downward trajectories on optimism for a return of demand and that OPEC will maintain excess capacity near its highest ever. Our graphic depicts the price of crude oil (which is being replaced by technology) stabilizing in dollar terms, but within an enduring downtrend vs. gold.

#### Predominant Trend - Crude Deflating vs. Gold



Most dollar-denominated commodities should have a price tailwind at their back -- unprecedented monetary stimulus. Yet the fact that Brent crude is down about 30% since the start of 2008, despite G4 central-bank balance sheets jumping to about 60% of GDP from 10%, emphasizes a predominant deflationary bias from crude.

#### Crude Running Into Layers of Resistance Above \$70.

Questions may center on how the pandemic altered bear-market tendencies in crude oil and energy. We believe price risks remain tilted toward more of the same on the back of the sharp price bounce from last year's lows. If West Texas Intermediate sustains above \$70 a barrel, there's greater incentive for more supply, but also the potential for reduced demand and a more rapid shift to electric vehicles. Our 2021 scorecard shows natural gas at the bottom, while the top performer -- unleaded gasoline -- is prone to head in that direction. Indicating the generally price-unfavorable demand vs. supply conditions in liquid fuel, the U.S. average gas price has inched above \$3 a gallon for the first time since 2014.

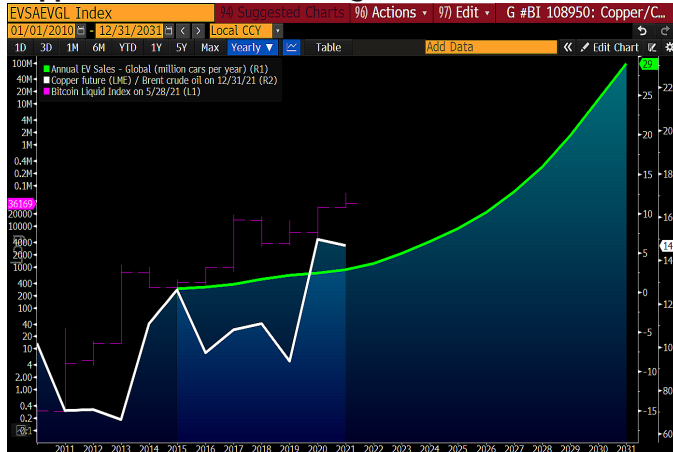
#### A Question of How Much Higher Prices Can Rise

Security	NYTD	Chg May	1Yr % Chg	2Yr % Chg
Bloomberg Unleaded Gasoline Su	+41.2%	+3.4%	+96.9%	14.8%
Bloomberg Heating Oil Subindex	+37.9%	+5.9%	+78.1%	-4.8%
Bloomberg WTI Crude Oil Subind	+37.4%	+4.5%	+78.0%	-21.7%
Bloomberg Petroleum Subindex T	+36.9%	+4.3%	+78.5%	-6.2%
Bloomberg Brent Crude Subindex	+36.3%	+3.2%	+75.7%	8.1%
BBG Energy Spot	+31.6%	+3.1%	+85.4%	11.4%
Bloomberg Energy Subindex Tota	+29.7%	+3.3%	+41.4%	-22.0%
Bloomberg Natural Gas Subindex	+10.9%	+3%	-7.7%	-50.8%

The price peak around \$4 in 2008 equates to an inflation-adjusted value closer to \$5.

**Copper Set to Take the Crude-Oil Throne.** The May 19 risk-off flush on the back of mean-reverting Bitcoin emphasized the fragile state of reflation and potentially predominant deflationary forces from rapidly advancing technology, in our view. Copper and crude oil both dropped about 3%, led by some mean reversion in an asset class that didn't exist at the onset of the financial crisis. Looking to the next decade, the world's most significant commodity -- crude oil -- is at high risk of losing its throne to copper.

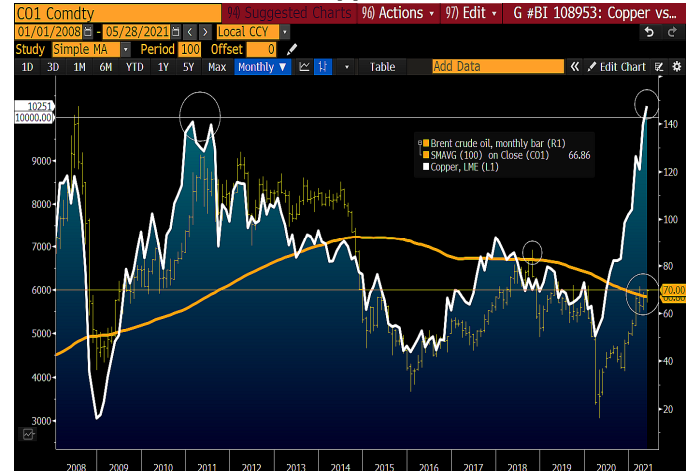
### Copper/Crude vs. Accelerating Electrification



Our graphic depicts a primary tailwind for the copper-to-crude price ratio -- the convex shape of electric-vehicle sales. Unless innovation stalls or reverses, estimates for EV adoption may be conservative, we believe, given electrification is a global phenomenon.

**This Chart May Mark the Future of Commodities.** Copper is tops among major commodities with a fundamental case for sustained higher prices, and crude oil is the opposite, in our view. The graphic depicts the metal inching above highs from 2011 and Brent crude facing layers of resistance over \$70 a barrel and its 100-week moving average. This mean roughly marked the peak in 2018, when Brent approached \$90. What's striking to us from the graphic are the implications for crude oil if copper is unable to sustain above \$10,000 a ton. It's bull vs. bear amid a paradigm-shifting commodity market.

### Crude at Elevated Risk If Copper Reverts



Crude oil is in a similar bucket as agriculture. Increasingly linked via biofuel, supply elasticity in the grains has been rising more rapidly than demand for almost a decade. OPEC spare capacity at the highest ever is indicative of commodity supply headwinds.

### Front Energy Futures

Ticker	Last	%YTD	%MTD	Chg QTD	1 Yr Ago	2 Yrs Ago	%1YR	Change 2 Year
> Generic 1st 'XB' Future	\$214.0	+52.0%	+3.4%	+9.6%	99.9	195.7	+114.3%	9.4%
> Generic 1st 'HO' Future	\$204.5	+38.5%	+6.4%	+15.4%	92.6	199.3	+120.9%	2.6%
> Generic 1st 'CL' Future	\$66.3c	+36.7%	+4.3%	+12.1%	33.7	59.1	+96.7%	12.1%
> Generic 1st 'CO' Future	\$69.6c	+34.4%	+3.5%	+9.6%	35.3	70.1	+97.3%	-7%
> Generic 1st 'NG' Future	\$3.0c	+17.6%	+1.9%	+14.5%	1.8	2.6	+63.4%	15.6%



## Metals

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

Performance: May +10.5%, 2021 +5.8%

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

Performance: May +3.8%, 2021 +21.5%, Spot +22.2%

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

Performance: May +7.8%, 2021 +1.3%, Spot +1.8%

## Riding the Innovation Wave

**\$10,000 Copper, \$2,000 Gold? Metals Poised to Take the Medal.** Whenever the stock-market rally eventually stalls, and even if the equity tide keeps rising, we believe the metals sector is the most likely to come out ahead among commodities. Copper is a bit stretched above \$10,000 a ton and gold looks to be at a discount in a bull market. Both have fundamentally sound underpinnings.

**Metals' Upper-Hand vs. Innovation.** Metals appear to be the commodity sector with the greatest probability for sustained price appreciation. Favorably situated as the world goes the way of electrification and decarbonization, metals are also the easiest to store, which has been reflected by superior total returns. Our graphic depicts the Bloomberg All Metals Total Return Index up about 300% since the start of the millennium, vs. a flat Bloomberg Commodity Index Total Return. What's notable are the prospects for the future, as indicated by expected electric-vehicle sales. Petroleum is being replaced by technology, and even the top agriculture commodity -- corn -- may face diminishing demand from ethanol and feed use due to meat substitutes.

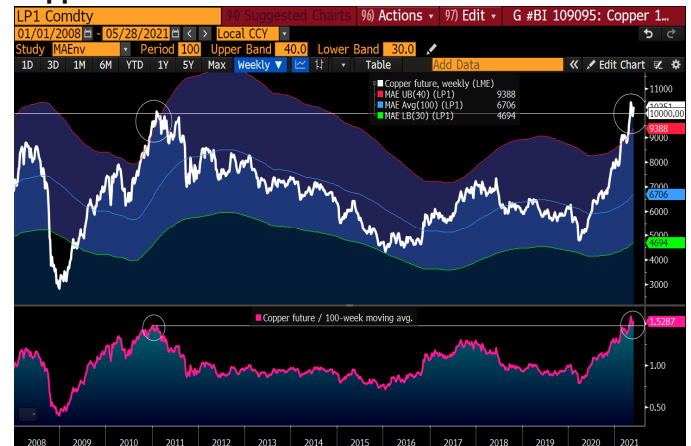
### Electrification, Decarbonization & Metals Demand



Copper appears well on the way to replacing crude oil as the world's most significant commodity.

**Copper Heads Up But May Be Too Close to the Sun.** The trend in copper is upward, but caution is warranted above \$10,000 a ton as prices are quite extended, if the 2011 high serves as a guide. Our graphic depicts the metal more stretched above its 100-week mean than at the peak a decade ago. BI's macro-regression model suggests fair value of about \$9,000, and while the metal remained overvalued for two years in the most recent supercycle, the market has now reached extreme levels. Rising resource nationalism in the primary producers and exporters -- Peru and Chile -- add bullish underpinnings to copper's price.

### Copper Has Reached 2011 Peak-like Extremes



Electrification and decarbonization trends aid copper demand and rising ESG awareness reduces supply, which should foster an upward price bias. The 100-week mean is used to reduce pandemic-related distortions.

**Gold and Bitcoin Likely to Regain Bullish Kinship.** Gold is a fundamentally sound bull market ripe to resume its upward trajectory, as we see it, but it's also adjusting to sharing the global store-of-value space with digital newcomer Bitcoin. Having alleviated the overextended condition above \$2,000 an ounce last year, the metal appears to have solid underpinnings on the back of about a 20% correction. Our graphic depicts gold the most trend-ready since its breakout above \$1,400 in June 2019, when the 50-week Bollinger Bands were last similarly compressed. The top band at about \$2,000 is good initial resistance but is more likely to act as a speed bump, notably if stock-market volatility rises.



## Gold Appears as a Rested and Discounted Bull



We see little potential to hold below the bottom band -- and the year's low -- around \$1,690. Rapidly rising fiscal and monetary stimulus should keep gold and Bitcoin supported.

**It's Copper vs. Gold and the Stock Market in 2H.** As long as the stock market keeps rising, copper is more likely to keep its spot at the top of our 2021 metals performance scorecard, vs. gold near the bottom. It's this dichotomy between the world's top industrial and precious metals in the same basket that adds to the diversification benefits of the sector, as we see it. Eventually, some reversion in equity-price gains should be expected, and among commodities, we see the metals as the most likely to outperform. Emphasizing how different things are, the 40-quarter correlation between the Bloomberg Commodity Index and S&P 500 at about 0.70 is the highest in our database since 1960.

## Stock-Market Volatility May Alter Copper vs. Gold

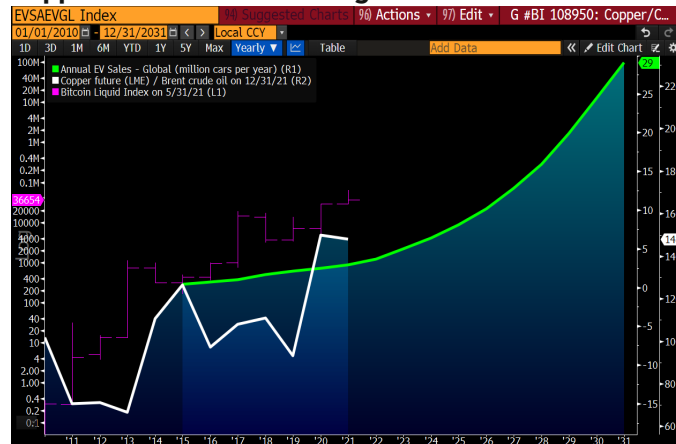
Security	%YTD	↓	Chg May	1Yr % Chg	2Yr % Chg
Bloomberg Copper Subindex Total	+32.7%		+4.7%	+89.7%	74.1%
Bloomberg Aluminum Subindex To	+23.5%		+3.2%	+54.3%	28.4%
Bloomberg Industrial Metals Su	+21.5%		+3.8%	+64.9%	47.4%
Bloomberg All Metals Total Ret	+10.5%		+5.8%	+35.9%	47.6%
Bloomberg Zinc Subindex Total	+10.1%		+4.3%	+49.8%	20.8%
Bloomberg Nickel Subindex Total	+8.6%		+2.4%	+45.3%	49.3%
Bloomberg Silver Subindex Total	+5.8%		+8.3%	+47.5%	83.5%
Bloomberg Precious Metals Subi	+1.3%		+7.8%	+14.3%	49.1%
Bloomberg Gold Subindex Total	+1%		+7.7%	+6.2%	40.2%
Broad Dollar Index	-2%		-9%	-9.1%	-4.3%

## Copper's Price Overshoot Confirmed by Weaker Physical

Copper's stellar fundamentals remain intact, yet, in our view, evidence points to a price close to \$10,000 a ton leading to some demand destruction -- certainly in the near term. BI's macro regression model suggests a fair value of about \$9,000 a ton, and while the metal remained overvalued for two years in the last supercycle, the market has now reached extreme levels. Likewise, our physical-indicators heat-map composite reading has continued to ease lower from its mid-February peak, painting a picture of modestly weaker demand -- or, more correctly, demand avoidance in the hope of lower prices.

**Copper Set to Take the Crude-Oil Throne.** The May 19 risk-off flush on the back of mean-reverting Bitcoin emphasized the fragile state of deflation and potentially predominant deflationary forces from rapidly advancing technology, in our view. Copper and crude oil both dropped about 3%, led by some mean reversion in an asset class that didn't exist at the onset of the financial crisis. Looking to the next decade, the world's most significant commodity -- crude oil -- is at high risk of losing its throne to copper.

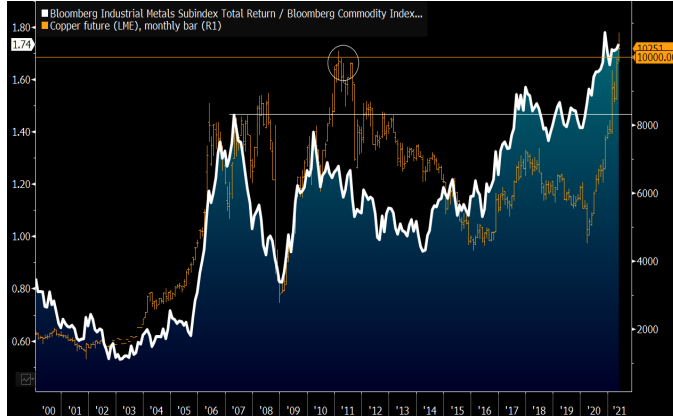
## Copper/Crude vs. Accelerating Electrification



Our graphic depicts a primary tailwind for the copper-to-crude price ratio -- the convex shape of electric-vehicle sales. Unless innovation stalls or reverses, estimates for EV adoption may be conservative, we believe, given electrification is a global phenomenon.

**Metals Set to Continue Beating Broad Commodities** The metals sector has the greatest potential for sustained price appreciation, in our view, but trickle-down mean-reversion risks are elevated for broad commodities, with copper hovering at record highs. In a world of accelerating electrification and decarbonization, metals are poised for more of the same -- outperformance vs. most commodities. Our graphic depicts the clear upward trajectory of the Bloomberg Industrial Metals Subindex Total Return vs. the Bloomberg Commodity Index in the new millennium. Rising resource nationalism in some top copper-producing countries adds underpinnings to the price.

## Commodity Bulls Dependent on \$10,000-Plus Copper



Copper should eventually sustain above \$10,000, as we see it, but risks to the entire commodity complex are elevated if the metal reverts. Crude oil and equities are typical copper-performance companions.

**Wobbly Stock Market May Feed Gold Bull.** Our graphic shows similar underpinnings to 2018, when gold recovered from its steepest discount vs. the S&P 500 since 2005. The gold-to-S&P 500 ratio appears to be bottoming as the metal recovers above its 50-week moving average. It was a similar combination in 2018 that broke gold away from the gravity pull around \$1,270 an ounce toward its record high of about \$2,075 in 2020. Around \$1,860 on May 17, the metal appears more likely to revisit resistance toward \$2,000 than sustain below the 2021 low close of \$1,684.

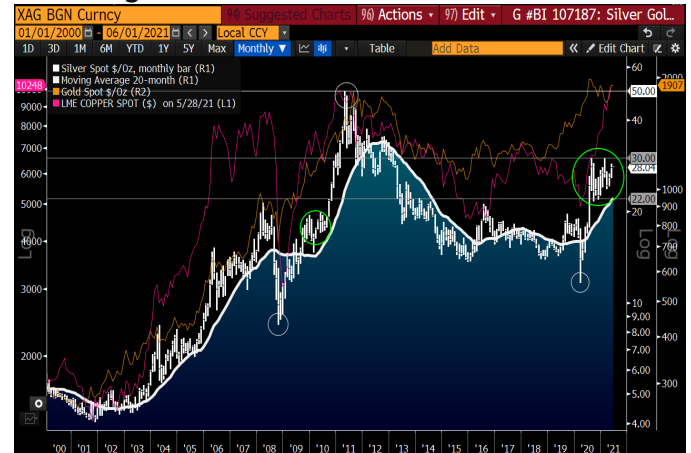
## Gold Technicals Similar to 2018 Bottom



In March, gold reached the greatest discount to its annual mean since August 2018, when the metal approached \$1,200. That price hasn't been revisited since and we expect a similar outcome, notably if the stock market reverts to its mean.

**Silver Is a Bull Market That Had Its Nap.** Guided by copper and gold, silver should head toward \$50-an-ounce resistance. In a \$22-\$30 range since breaking out higher last year, we see a consolidating bull market. The bull-flag pattern has underpinnings from an upward-sloping 20-month moving average nearing \$22. Sustaining above \$30 appears to be just a matter of time, and chances of going below \$22 are increasingly unlikely. Our graphic depicts the similarity between 2020's cleanse and 2008. More-speculative silver long positions were cleared from the market as it bottomed around \$8.50 on the way to \$50 in 2011.

## A Bull-Flag Pattern In Silver



The parallels are clear, but within a potentially more enduring fundamental backdrop, fueled by accelerating electrification and decarbonization trends. Gold and copper at their 2011 peaks in May indicate similar for silver.

## Agriculture

(Index weight: 35% of BCOM)

Performance: May -.9%, 2021 +20.7, Spot +19.3%

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

Performance: May -3.9%, 2021 +20.6%, Spot +19.5%

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

Performance: May +5.3%, 2021 +16.7%, Spot +16.7%

### Corn May Lead Deflation

#### From Best to Worst in 2021? Corn Deflation Risks Are Elevated.

The world's most significant agriculture commodity, corn, was one of the best performers on the year in May, but it's rapidly heading the other way -- and for good reason, as we see it. Welcome to June, the month when grain prices typically peak and we see risks tilted toward more mean reversion lower.

**Sub-\$5 Corn More Likely Than Above \$6 at Year-End.** The front corn future ended 2020 at \$4.84 a bushel and is at risk of ending 2021 at about the same price, in our view. This isn't that profound, as the December future is around \$5 on May 26. A key issue is that typically toward the end of May, prices are at a premium for the risk of a poor production year. Our graphic depicts what might turn out to be a top example of "transitory" inflation in 2021. If corn simply migrates toward the most liquid December contract in 2H, it would mark the fizzling out of a 51% rally to the May 7 peak in the front future.

#### Corn Rally to \$7 Risks Reverting Below \$5



The key question is what might stop the beach ball from deflating, with a drought in the Corn Belt as the top suspect. Normal, above average or below average are the options, and a drought is overdue, but we expect supply elasticity to be the primary price headwind.

**Corn Appears as a Bear-Market Bounce vs. Gold.** Trend-is-your-friend rules point to greater downside risks in corn and agriculture prices, notably vs. gold. Our graphic depicts the ratio of the CME-traded corn vs. gold futures potentially peaking from the most stretched above its downward sloping regression line since the financial crisis. Priced in dollars, corn may have better prospects, but in terms of gold, which is less subject to unlimited supply, the downward trajectory of the value of corn seems entrenched.

#### Yellow Metal Upper Hand vs. the Yellow Grain



Both the metal and the grain are subject to the price-suppressing factors of rapidly advancing technology. Gold is being replaced in portfolios by Bitcoin, and looking about a decade out, the primary corn demand sources -- animal feed and ethanol -- are at risk. Meat substitutes are proliferating and the adoption of electric cars means less demand for fuel.

**Agriculture Bounce May Be Transitory Leader.** Heading into the start of June and the prime North American growing season, we see agriculture risks tilted toward a bumper crop and price pressure. The greatest incentive for production in almost a decade, as evidenced by the Bloomberg Grains Spot Subindex reaching the highest level since 2012 on May 7, is likely to translate to plenty of supply. Greater elasticity of supply has been the bane of commodity bulls for much of history, and 2021 will be a good test of rapidly advancing technology.

#### 2021 - Good Test of Corn Belt Production Machine

Security	%YTD	Chg May	Chg QTD	Pct	1Yr % Chg	2Yr % Chg
Bloomberg Soybean Oil Subindex	+63.5%	+5.45%	+29.0%	+146.1%	132.2%	
Bloomberg Lean Hogs Subindex T	+44.1%	+8.49%	+13.1%	+65.7%	-22.0%	
Bloomberg Corn Subindex Total	+39.6%	-2.45%	+19.4%	+92.5%	35.9%	
Generic 1st 'CL' Future	+38.1%	+5.41%	+13.1%	+88.5%	25.1%	
Bloomberg Coffee Subindex Tota	+22.7%	+14.78%	+29.5%	+53.5%	27.1%	
Bloomberg Agriculture Subindex	+20.7%	-1.94%	+13.0%	+66.8%	42.0%	
Bloomberg Grains Subindex Tota	+20.6%	-3.93%	+11.4%	+65.8%	39.8%	
Bloomberg Grains Spot Subindex	+19.5%	-3.93%	+10.4%	+72.0%	54.5%	
Bloomberg Soybeans Subindex To	+17.3%	-1.24%	+6.9%	+79.6%	60.4%	
Bloomberg Sugar Subindex Total	+17.3%	+2.24%	+17.5%	+56.1%	30.2%	
BBG Softs TR	+16.7%	+5.83%	+18.4%	+51.3%	32.0%	
Bloomberg Livestock Subindex T	+11.9%	+2.90%	+1.4%	+19.5%	-16.5%	
Bloomberg Wheat Subindex Total	+2.4%	-9.70%	+6.9%	+20.9%	24.0%	
Bloomberg Cotton Subindex Tota	+1.8%	-6.77%	-1.1%	+35.7%	12.7%	
BRAZIL REAL	-4%	+4.19%	+7.9%	+2.8%	-24.9%	

Soybean oil at the top of our 2021 performance scorecard is at elevated risk of following wheat toward the bottom. Crude oil is a key factor, notably due to the biofuel connection. We see West Texas Intermediate at greater risk of reverting toward its mean since 2014 at about \$50 a barrel vs. sustaining above \$70.

### Individual Commodities Open Interest

Name	Current	MTD % Change	3 Mth % Change	YTD % Change	1Y Yr % Change
▼ Open Interest (Aggregate - 1,000s)					
▼ Single Commodities					
Zinc	198	8.8	15.1	19.3	51.2
Palladium	10	-16.7	0.0	11.1	42.9
Lean Hogs	297	2.8	12.1	56.3	38.1
Copper (CME)	232	-8.7	-9.0	-6.5	31.8
Platinum	67	4.7	-8.2	11.7	28.9
Gas Oil	1,077	9.6	10.1	16.4	27.3
Copper (LME)	196	-4.4	-11.3	-0.5	25.6
Cotton	226	3.2	-8.1	-0.9	21.5
Live Cattle	311	-3.7	-7.7	7.2	18.7
Corn	1,732	4.0	-5.3	-0.2	17.6
Crude Oil	2,475	4.2	-1.2	15.4	16.4
Silver	182	9.6	6.4	5.8	14.5
Coffee	288	2.1	7.1	11.6	13.8
Nickel	154	3.4	-7.2	-3.1	10.8
Soybean Oil	527	9.6	11.7	12.6	10.5
Heating Oil	424	9.0	0.2	19.1	9.6
Unlead Gas	398	8.2	-2.9	-3.9	3.9
Wheat	399	-5.5	-5.5	-0.8	2.6
Sugar	1,011	1.1	-2.8	-4.6	2.3
Gold	506	9.5	5.9	-9.8	-1.2
Natural Gas	1,218	4.6	1.7	5.2	-2.6
HRW Wheat	222	0.9	-2.2	2.8	-4.7
Brent Crude	2,504	-0.1	-9.2	2.9	-5.8
Soybean	806	-0.5	-5.6	-9.5	-7.6
Soybean Meal	405	1.5	-1.0	-2.4	-11.0
Aluminum	537	1.3	-1.3	-7.3	-15.7

### Individual Commodities Front Future Change

Name		MTD % Change	3 Mth % Change	YTD % Change	1Y Yr % Change	2Y Yr % Change
▼ BCOM Single Commodity Price						
Soybean Oil	-C	5.4	31.7	55.2	140.2	141.1
Lean Hogs	CC	8.8	36.9	69.8	114.5	39.3
Gasoline	CC	3.5	10.3	52.1	100.9	18.9
Corn	-C	-2.5	20.0	35.7	100.5	56.3
Gas Oil	CC	6.3	6.6	34.8	99.9	-1.8
Heating Oil	CC	6.8	12.8	39.0	99.4	11.4
Brent Crude	-C	3.1	4.8	33.8	96.2	7.5
Copper (LME)	CC	4.2	12.7	32.1	92.9	72.2
Copper (CME)	--	4.5	13.5	32.7	89.0	76.9
WTI Crude	CC	5.2	10.3	37.9	88.8	25.1
Soybeans	-C	-0.2	9.0	16.7	80.7	78.8
Natural Gas	11	3.8	9.5	19.8	71.4	23.9
Coffee	4C	14.8	18.1	26.6	63.8	69.0
Aluminum	CC	3.2	15.7	24.6	61.8	38.1
Sugar	1C	2.2	5.5	12.1	60.7	47.7
Zinc	-C	4.4	9.5	11.4	57.2	13.9
Silver	CC	8.8	5.5	6.5	49.5	93.2
Nickel	1C	2.5	-2.5	9.2	48.3	49.3
Cotton	-C	-5.4	-6.2	6.7	44.7	19.9
Palladium	CC	-4.2	20.5	15.3	42.3	112.5
Soybean Meal	1C	-7.2	-6.1	-7.9	39.1	26.4
HRW Wheat	-C	-12.8	-3.2	1.6	32.2	33.1
Platinum	CC	-1.4	-0.2	10.2	31.9	49.7
Wheat	-C	-9.7	0.5	3.6	29.0	31.5
Live Cattle	-C	1.7	-1.2	3.1	17.2	10.0
Gold	CC	8.0	10.8	0.8	9.1	45.6



PERFORMANCE: Bloomberg Commodity Indices

Composite Indices

\* Click hyperlinks to open in Bloomberg

Index Name	Ticker	2021		1-Year	3-Year	5-Year	10-Year	20-Year	30-Year	40-Year	50-Year
		May	YTD								
Bloomberg Commodity ER	<a href="#">BCOM</a>	2.73%	18.92%	46.10%	2.33%	8.77%	-44.26%	-12.50%	-1.83%	-18.72%	
Bloomberg Commodity TR	<a href="#">BCOMTR</a>	2.73%	18.94%	46.22%	6.29%	15.11%	-40.79%	13.60%	104.55%	288.58%	
Bloomberg Commodity Spot	<a href="#">BCOMSP</a>	2.78%	20.18%	60.17%	26.84%	54.12%	-2.10%	286.13%	422.34%	327.80%	
Bloomberg Roll Select	<a href="#">BCOMRST</a>	3.27%	19.06%	45.46%	8.60%	22.83%	-31.83%	157.07%	439.31%		
1 Month Forward	<a href="#">BCOMF1T</a>	3.23%	20.36%	49.57%	12.34%	24.19%	-31.65%	98.03%	327.80%		
2 Month Forward	<a href="#">BCOMF2T</a>	3.56%	19.43%	48.92%	15.88%	30.55%	-30.09%	147.14%	413.35%		
3 Month Forward	<a href="#">BCOMF3T</a>	3.56%	19.21%	48.47%	15.51%	30.91%	-27.75%	169.69%	433.57%		
4 Month Forward	<a href="#">BCOMF4T</a>	3.68%	19.40%	49.16%	17.42%	36.28%	-22.04%	220.72%			
5 Month Forward	<a href="#">BCOMF5T</a>	3.69%	19.56%	48.78%	19.77%	39.73%	-20.01%	233.31%			
6 Month Forward	<a href="#">BCOMF6T</a>	3.69%	18.83%	46.17%	18.73%	39.05%	-19.80%	242.94%			
Energy	<a href="#">BCOMENTR</a>	3.28%	29.74%	41.38%	-33.90%	-23.91%	-77.17%	-82.96%	-41.64%		
Petroleum	<a href="#">BCOMPETR</a>	4.26%	36.93%	78.50%	-22.47%	0.39%	-61.22%	-19.95%	130.31%		
Agriculture	<a href="#">BCOMAGTR</a>	-0.94%	20.67%	66.81%	21.20%	3.90%	-33.02%	31.16%	22.62%	57.71%	
Grains	<a href="#">BCOMGRTR</a>	-3.93%	20.62%	65.79%	22.81%	1.50%	-32.59%	15.61%	-11.91%	-6.57%	
Industrial Metals	<a href="#">BCOMINTR</a>	3.84%	21.46%	64.85%	22.41%	85.70%	-12.65%	199.49%	297.97%		
Precious Metals	<a href="#">BCOMPRTR</a>	7.81%	1.31%	14.28%	44.60%	50.23%	-1.56%	500.24%	432.14%	221.24%	
All Metals	<a href="#">BCOMAMT</a>	5.84%	10.50%	35.86%	32.22%	68.49%	-5.67%	349.51%			
Softs	<a href="#">BCOMSOTR</a>	5.33%	16.66%	52.23%	2.15%	-10.69%	-57.40%	-26.43%	-16.64%	42.11%	
Livestock	<a href="#">BCOMLITR</a>	2.90%	11.94%	19.45%	-14.22%	-20.49%	-29.00%	-62.93%	-54.80%		
Ex-Energy	<a href="#">BCOMXETR</a>	2.47%	15.04%	47.15%	23.91%	30.21%	-18.75%	113.10%	141.28%		
Ex-Petroleum	<a href="#">BCOMXPET</a>	2.24%	14.62%	39.46%	11.40%	14.47%	-39.27%				
Ex-Natural Gas	<a href="#">BCOMXNGT</a>	2.94%	19.60%	53.48%	15.17%	27.51%	-25.99%				
Ex-Agriculture	<a href="#">BCOMXAGT</a>	4.40%	18.14%	37.72%	-0.29%	18.80%	-45.43%				
Ex-Grains	<a href="#">BCOMXGRT</a>	4.09%	18.52%	42.30%	2.84%	17.51%	-43.44%				
Ex-Industrial Metals	<a href="#">BCOMXIMT</a>	2.53%	18.50%	42.45%	2.84%	3.51%	-46.00%				
Ex-Precious Metals	<a href="#">BCOMXPMT</a>	1.79%	23.18%	54.81%	-0.93%	7.90%	-47.67%				
Ex-Softs	<a href="#">BCOMXSOT</a>	2.53%	19.12%	45.78%	6.50%	16.92%	-39.76%				
Ex-Livestock	<a href="#">BCOMXLIT</a>	2.72%	19.32%	47.83%	7.49%	17.35%	-41.63%				
Ex-Agriculture & Livestock	<a href="#">BCOMXALT</a>	4.54%	18.65%	39.34%	0.83%	22.48%	-47.00%				
Bloomberg Dollar Spot	<a href="#">BBDXY</a>	-1.31%	-0.18%	-8.94%	-4.47%	-6.98%	20.27%				
Bloomberg US Large Cap TR	<a href="#">B500T</a>	0.44%	11.70%	41.10%	67.57%	126.01%	290.92%				
US Aggregate	<a href="#">LBUSTRUU</a>	0.33%	-2.29%	-0.40%	15.95%	17.34%	38.24%	143.28%	416.66%	1741.64%	
US Treasury	<a href="#">LUATTRUU</a>	0.34%	-3.20%	-3.75%	13.92%	12.98%	31.04%	124.57%	370.84%	1453.94%	
US Corporate	<a href="#">LUACTRUU</a>	0.77%	-2.85%	3.64%	22.52%	27.82%	61.43%	202.48%	569.53%	2505.75%	
US High Yield	<a href="#">LF98TRUU</a>	0.30%	2.25%	14.96%	22.89%	42.85%	86.19%	332.35%	958.34%		

Single Commodity Indices

Index Name	Ticker	2021		1-Year	3-Year	5-Year	10-Year	20-Year	30-Year	40-Year	50-Year
		May	YTD								
Natural Gas	<a href="#">BCOMNGTR</a>	0.28%	10.87%	-7.69%	-58.73%	-66.21%	-95.41%	-99.81%	-99.65%		
Low Sulfur Gas Oil	<a href="#">BCOMGOT</a>	5.78%	32.18%	72.35%	-27.56%	5.40%	-55.96%	60.80%	212.64%		
WTI Crude	<a href="#">BCOMCLTR</a>	4.48%	37.42%	77.98%	-36.02%	-24.23%	-76.63%	-57.02%	34.42%		
Brent Crude	<a href="#">BCOMCOT</a>	3.21%	36.32%	75.67%	-10.11%	27.98%	-52.22%	89.51%	578.99%		
ULS Diesel	<a href="#">BCOMHOTR</a>	5.92%	37.88%	78.06%	-18.56%	10.33%	-52.47%	15.69%	119.32%		
Unleaded Gasoline	<a href="#">BCOMRBTR</a>	3.40%	41.20%	96.88%	-6.73%	13.15%	-33.10%	67.10%	450.31%		
Corn	<a href="#">BCOMCNTR</a>	-2.45%	39.62%	92.55%	31.50%	2.35%	-42.74%	-50.29%	-75.33%	-74.44%	
Soybeans	<a href="#">BCOMSYTR</a>	-0.24%	17.33%	79.57%	30.35%	16.55%	37.67%	469.28%	472.72%	467.89%	
Wheat	<a href="#">BCOMWHTR</a>	-9.70%	2.44%	20.88%	9.44%	-12.07%	-65.30%	-75.84%	-84.66%	-84.42%	
Soybean Oil	<a href="#">BCOMBOTR</a>	5.45%	63.49%	146.14%	97.86%	79.71%	-18.82%	131.84%	53.12%	96.35%	
Soybean Meal	<a href="#">BCOMSMT</a>	-7.18%	-8.70%	34.44%	-7.80%	-17.45%	75.70%	870.46%	1435.46%		
HRW Wheat	<a href="#">BCOMKWT</a>	-12.83%	-0.54%	20.26%	-16.73%	-30.70%	-76.58%	-66.46%	-49.21%		
Copper	<a href="#">BCOMHGTR</a>	4.69%	32.71%	89.71%	49.67%	111.45%	0.15%	547.39%	943.49%		
Alumnium	<a href="#">BCOMALTR</a>	3.20%	23.52%	54.27%	0.04%	45.12%	-38.26%	-9.89%	-5.55%		
Zinc	<a href="#">BCOMZSTR</a>	4.31%	10.08%	49.81%	7.95%	74.54%	24.37%	131.68%	125.74%		
Nickel	<a href="#">BCOMNITR</a>	2.38%	8.60%	45.27%	17.72%	107.57%	-31.19%	234.41%	262.28%		
Gold	<a href="#">BCOMGCTR</a>	7.66%	0.06%	6.21%	40.12%	47.20%	13.70%	510.89%	381.46%	255.10%	
Silver	<a href="#">BCOMSITR</a>	8.28%	5.79%	47.54%	60.94%	60.88%	-36.32%	406.54%	452.10%	84.32%	
Sugar	<a href="#">BCOMSBTR</a>	2.24%	17.28%	56.09%	15.10%	-21.20%	-54.86%	-18.10%	111.59%	-64.90%	
Coffee	<a href="#">BCOMKCTR</a>	14.78%	22.71%	53.54%	-4.01%	-18.28%	-76.09%	-72.97%	-77.03%	-48.62%	
Cotton	<a href="#">BCOMCTTR</a>	-6.77%	1.84%	35.74%	-17.87%	19.55%	-39.03%	-42.50%	-57.20%	93.37%	
Live Cattle	<a href="#">BCOMLCTR</a>	-0.94%	-3.90%	-0.85%	-12.07%	-13.47%	-14.92%	-27.04%	8.43%	567.45%	
Lean Hogs	<a href="#">BCOMLHTR</a>	8.49%	44.14%	65.75%	-20.84%	-33.95%	-50.97%	-88.28%	-91.48%		

PERFORMANCE: Bloomberg Commodity Roll Select Indices

Composite Roll Select Indices      \* Click hyperlinks to open in Bloomberg

Index Name	Ticker	2021		1-Year	3-Year	5-Year	10-Year	20-Year	30-Year	40-Year	50-Year
		May	YTD								
BCOM Roll Select	<a href="#">BCOMRST</a>	3.27%	19.06%	45.46%	8.60%	22.83%	-31.83%	157.07%	439.31%		
Roll Select Agriculture	<a href="#">BCOMRAGT</a>	0.18%	21.03%	63.36%	18.11%	7.76%	-30.24%	125.29%	144.79%		
Roll Select Ex-Ags & Livestock	<a href="#">BBURXALT</a>	4.81%	18.61%	38.76%	5.36%	33.79%	-34.98%	165.17%			
Roll Select Grains	<a href="#">BCOMRGRT</a>	-3.45%	18.84%	59.57%	17.57%	3.92%	-31.97%	106.94%	73.15%		
Roll Select Softs	<a href="#">BCOMRSOT</a>	6.25%	19.49%	52.59%	-1.35%	-12.51%	-55.58%	21.98%	61.56%		
Roll Select Livestock	<a href="#">BCOMRLIT</a>	2.16%	12.95%	27.80%	-11.57%	-25.02%	-29.93%	17.66%	100.81%		
Roll Select Energy	<a href="#">BCOMRENT</a>	3.62%	29.49%	40.65%	-22.28%	-2.33%	-62.71%	-10.39%	331.63%		
Roll Select Ex-Energy	<a href="#">BCOMRXET</a>	3.10%	15.21%	46.47%	22.26%	31.45%	-16.96%	247.22%	350.42%		
Roll Select Petroleum	<a href="#">BCOMRPET</a>	4.48%	35.23%	68.24%	-9.02%	26.54%	-42.50%	211.64%	969.11%		
Roll Select Industrial Metals	<a href="#">BCOMRINT</a>	4.21%	21.77%	64.74%	19.86%	83.15%	-11.26%	324.90%	535.66%		
Roll Select Precious Metals	<a href="#">BCOMRPRT</a>	7.80%	1.13%	14.29%	45.65%	51.56%	-0.02%	522.49%	451.89%		

Single Commodity Roll Select Indices

Index Name	Ticker	2021		1-Year	3-Year	5-Year	10-Year	20-Year	30-Year	40-Year	50-Year
		May	YTD								
Natural Gas RS	<a href="#">BCOMRNGT</a>	1.01%	14.61%	0.03%	-52.02%	-55.46%	-89.71%	-97.03%	-80.35%		
Low Sulfur Gas Oil RS	<a href="#">BCOMRGOT</a>	5.71%	33.76%	61.19%	-25.00%	5.64%	-53.40%	93.98%	326.53%		
WTI Crude RS	<a href="#">BCOMRCLT</a>	4.71%	35.49%	69.37%	1.39%	32.80%	-44.08%	240.60%	1307.76%		
Brent Crude RS	<a href="#">BCOMRCOT</a>	2.88%	32.69%	62.35%	-11.97%	31.98%	-44.59%	231.10%	1233.21%		
ULS Diesel RS	<a href="#">BCOMRHOT</a>	5.59%	36.38%	68.47%	-25.13%	-0.51%	-56.93%	99.59%	418.97%		
Unleaded Gasoline RS	<a href="#">BCOMRRBT</a>	6.09%	43.28%	92.51%	12.03%	57.21%	-0.21%	326.09%	979.35%		
Corn RS	<a href="#">BCOMRCNT</a>	-3.21%	30.46%	72.30%	18.89%	-2.09%	-46.53%	-19.40%	-51.91%		
Soybeans RS	<a href="#">BCOMRSYT</a>	2.46%	19.51%	81.60%	36.05%	38.69%	65.61%	780.80%	691.59%		
Wheat RS	<a href="#">BCOMRWHT</a>	-9.70%	5.63%	21.53%	1.68%	-19.48%	-69.54%	-29.69%	-27.76%		
Soybean Oil RS	<a href="#">BCOMRBOT</a>	5.52%	62.44%	139.50%	91.58%	74.78%	-16.07%	217.74%	168.04%		
Soybean Meal RS	<a href="#">BCOMRSMT</a>	-1.87%	-3.64%	36.03%	-0.39%	3.32%	113.85%	1368.69%	2057.99%		
HRW Wheat RS	<a href="#">BCOMRKWT</a>	-11.52%	2.16%	22.54%	-18.90%	-30.12%	-75.42%	-26.86%	19.45%		
Copper RS	<a href="#">BCOMRHGT</a>	5.07%	32.70%	89.47%	46.92%	111.25%	-0.08%	780.72%	1540.12%		
Alumnium RS	<a href="#">BCOMRALT</a>	3.80%	24.28%	53.18%	-2.90%	38.42%	-36.39%	26.42%	49.88%		
Zinc RS	<a href="#">BCOMRZST</a>	4.47%	10.58%	51.11%	3.54%	72.01%	25.27%	241.75%	261.94%		
Nickel RS	<a href="#">BCOMRNIT</a>	2.55%	8.62%	45.20%	17.64%	107.43%	-28.96%	429.42%	558.78%		
Gold RS	<a href="#">BCOMRGCT</a>	7.66%	-0.01%	6.61%	41.85%	49.27%	15.77%	525.03%	389.75%		
Silver RS	<a href="#">BCOMRSIT</a>	8.26%	5.18%	45.57%	59.39%	59.73%	-35.74%	446.56%	506.93%		
Sugar RS	<a href="#">BCOMRSBT</a>	2.06%	21.70%	53.90%	5.40%	-28.59%	-54.45%	51.61%	300.99%		
Coffee RS	<a href="#">BCOMRKCT</a>	14.66%	22.37%	53.70%	-4.85%	-18.62%	-75.19%	-59.92%	-54.16%		
Cotton RS	<a href="#">BCOMRCTT</a>	-2.04%	7.61%	44.02%	-13.27%	32.18%	-29.75%	-7.94%	-24.18%		
Live Cattle RS	<a href="#">BCOMRLCT</a>	-0.02%	3.62%	12.12%	-9.85%	-13.00%	-16.71%	35.09%	130.86%		
Lean Hogs RS	<a href="#">BCOMRLHT</a>	6.06%	32.41%	68.99%	-12.30%	-39.32%	-47.45%	-19.03%	17.75%		

## BCOM Constituent Weights

[BCOM Index MEMB <GO>](#)

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Group	Commodity	Ticker	May 2021 Contrib to Return %	May 28 2021 Weight %	Apr 30 2021 Weight %	May 2021 Weight% Change	2021 Target Weight
Energy	Natural Gas	<a href="#">NG</a>	0.02	7.67	7.86	↓ (0.19)	8.07%
	Low Sulfur Gas Oil	<a href="#">QS</a>	0.16	2.90	2.82	↑ 0.08	2.64%
	WTI Crude	<a href="#">CL</a>	0.41	9.09	8.94	↑ 0.15	8.14%
	Brent Crude	<a href="#">CO</a>	0.24	7.38	7.41	↓ (0.03)	6.86%
	ULS Diesel	<a href="#">HO</a>	0.14	2.36	2.29	↑ 0.07	2.08%
	Gasoline	<a href="#">XB</a>	0.09	2.68	2.67	↑ 0.02	2.18%
	<b>Subtotal</b>		<b>1.06</b>	<b>32.08</b>	<b>31.98</b>	<b>↑ 0.09</b>	<b>29.97%</b>
Grains	Corn	<a href="#">C</a>	(0.16)	6.36	6.70	↓ (0.34)	5.59%
	Soybeans	<a href="#">S</a>	(0.02)	5.62	5.80	↓ (0.17)	5.82%
	Wheat	<a href="#">W</a>	(0.28)	2.55	2.90	↓ (0.35)	2.89%
	Soybean Oil	<a href="#">BO</a>	0.22	4.11	4.01	↑ 0.10	3.20%
	Soybean Meal	<a href="#">SM</a>	(0.23)	2.82	3.12	↓ (0.30)	3.60%
	HRW Wheat	<a href="#">KW</a>	(0.21)	1.38	1.63	↓ (0.25)	1.57%
	<b>Subtotal</b>		<b>(0.67)</b>	<b>22.84</b>	<b>24.15</b>	<b>↓ (1.31)</b>	<b>22.65%</b>
Industrial Metals	Copper	<a href="#">HG</a>	0.26	5.84	5.74	↑ 0.11	5.39%
	Aluminum	<a href="#">LA</a>	0.14	4.38	4.37	↑ 0.02	4.21%
	Zinc	<a href="#">LX</a>	0.12	2.94	2.90	↑ 0.04	3.25%
	Nickel	<a href="#">LN</a>	0.06	2.32	2.33	↓ (0.01)	2.71%
	<b>Subtotal</b>		<b>0.58</b>	<b>15.49</b>	<b>15.33</b>	<b>↑ 0.16</b>	<b>15.56%</b>
Precious Metals	Gold	<a href="#">GC</a>	0.91	12.49	11.91	↑ 0.58	14.65%
	Silver	<a href="#">SI</a>	0.30	3.83	3.64	↑ 0.19	4.35%
	<b>Subtotal</b>		<b>1.21</b>	<b>16.32</b>	<b>15.54</b>	<b>↑ 0.77</b>	<b>19.00%</b>
Softs	Sugar	<a href="#">SB</a>	0.06	2.85	2.86	↓ (0.02)	2.99%
	Coffee	<a href="#">KC</a>	0.41	3.14	2.81	↑ 0.33	2.74%
	Cotton	<a href="#">CT</a>	(0.10)	1.33	1.47	↓ (0.14)	1.51%
	<b>Subtotal</b>		<b>0.38</b>	<b>7.32</b>	<b>7.14</b>	<b>↑ 0.18</b>	<b>7.23%</b>
Livestock	Live Cattle	<a href="#">LC</a>	(0.04)	3.40	3.43	↓ (0.03)	3.85%
	Lean Hogs	<a href="#">LH</a>	0.21	2.55	2.41	↑ 0.14	1.73%
	<b>Subtotal</b>		<b>0.17</b>	<b>5.95</b>	<b>5.84</b>	<b>↑ 0.11</b>	<b>5.57%</b>
<b>Total</b>			<b>2.73</b>	<b>100.00</b>	<b>100.00</b>		<b>100.00%</b>

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