

Technical Speculator

Timely Analysis for the Informed Investor

MARKETS - COMMODITIES - CURRENCIES

July 2020

17th year

Commodities

Limited rebound for most

KEY POINTS:

- **S&P GSCI Commodity Index staging a measured rebound**
- **Good news for commodities: inflationary assets outperforming deflationary since late March**
- **Top 90-day performance goes to gold**
- **WTIC reaches key resistance**
- **Weakness continues for natural-gas prices**
- **Gold prices appear to be nearing a short-term crest**
- **More containment expected for silver prices**
- **Industrial metals still declining**
- **Rally in copper prices appears stalled**
- **The U.S. dollar's trend flattens in Q3**

	<i>Since Last Month</i>	<i>Year to Date</i>	<i>Since Inception mid-2003</i>
TS Model Portfolio	3.23%	1.67%	584.59%
S&P 500	1.23%	-4.04%	210.03%

17-year average for the TS Model Portfolio: 11.95%
17-year average for the S&P 500: 6.87%

<https://www.technicalspeculator.com/services/ts-model-growth-portfolios> 10.51% average dividend yield

S&P GSCI outlook: Minor rebound

Outlook negative: The S&P GSCI Commodity Index appears to have found tentative price support at the 1300

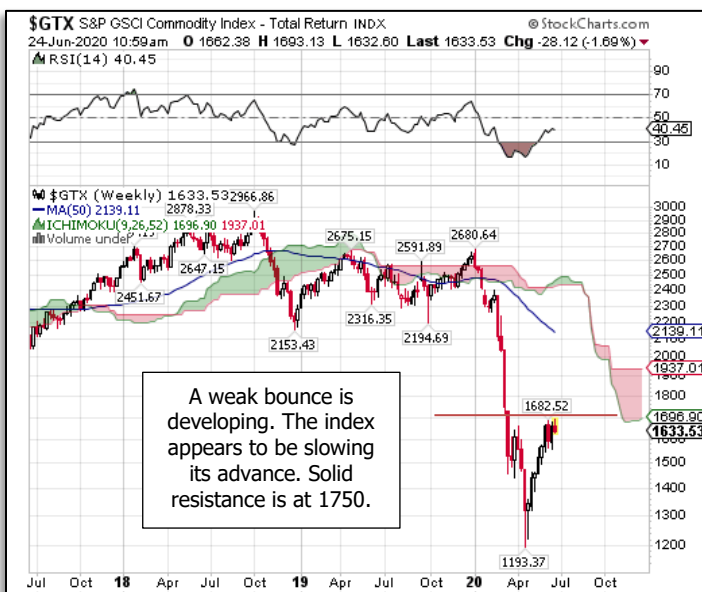


Chart 1

level, after falling to a new 20-year low. The main driver was the recent plunge in oil prices. Industrial metals, agriculture and livestock prices are also adding to the decline (**Chart 1**). Buying momentum (Relative Strength Index [RSI]) is still negative (confirming the weakness). Solid price resistance is at 1750. Any upside bounce at this juncture appears remote.

Five-year curve-fitting models illustrate no upside potential for the rest of 2020. Models forecast a downward drift in Q3, and a year-end target of 1550 (**Chart 1a**).

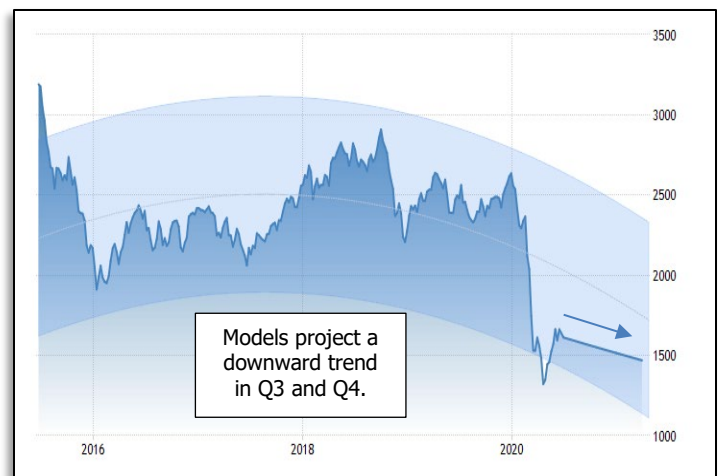


Chart 1a