

# Technical Speculator

Timely Analysis for the Informed Investor

MARKETS – COMMODITIES – CURRENCIES – SECTORS

May 2026

## Commodities

### Bull market has started

#### Key Points:

- The commodity bull market started in December 2025.
- The GTX continues to outperform stocks (SPX & NASDAQ).
- The energy sector continues to hold the top commodity group in 90-day performance.
- WTI prices expected to pull back to support around \$87.
- Warmer weather dampens natural gas prices. The new upside target for gold is \$5950.
- Silver finds price support after record high.
- Industrial Metals ETF (GYX) is at higher levels coming in Q2.
- Copper prices set to retest \$6.40.
- Risk premium is gone for the US dollar.

This movement is a standard pattern as an equity bull market nears completion (**Chart 1**). Once this newfound strength in commodities begins, it can last for years. The reasons for the performance over the other assets can vary, including heightened consumer demand due to economic growth, disruptions in supply chains, war, inflation and interest rates, and/or Government policies, or a combination of these factors.

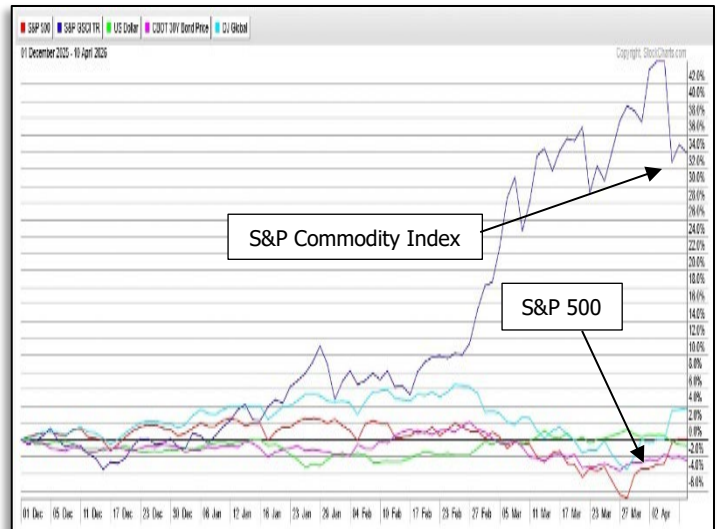


Chart 1

Within the commodity stage, there is also a sequence of events. The current bull market in natural resource prices started with gold. There was an unprecedented central bank accumulation post-COVID, inflation concerns, and safe-haven demand. From there, base metal prices (primarily copper) strengthen due to a combination of severe supply shortages and long-term demand driven by electrification. The last of the commodity sequence is oil. Energy prices are now beginning to soar due to intense geopolitical conflict and supply shocks (**Chart 1a** on page 2).

	<i>Since Last Month</i>	<i>Year to Date</i>	<i>Since Inception mid-2003</i>
<b>TS Model Portfolio</b>	5.68%	15.03%	<b>1,439.00%</b>
S&P 500	11.52%	5.31%	620.90%

The 19-year average for the TS Model Portfolio 12.69%  
The 19-year average for the S&P 500 9.02%

**Five-Year Performance**  
2021-**16.25%** 2022-(-**15.88%**)  
2023-**23.29%** 2024-**19.14%** 2025-**15.51%**

TS Model Income Portfolio – 10.88% average div. yield

### GTX: Start of the Bull Run

**Outlook Positive:** The S&P Commodity Index (GTX) has led the other asset groups in performance since December 2025.

# T e c h n i c a l   S p e c u l a t o r

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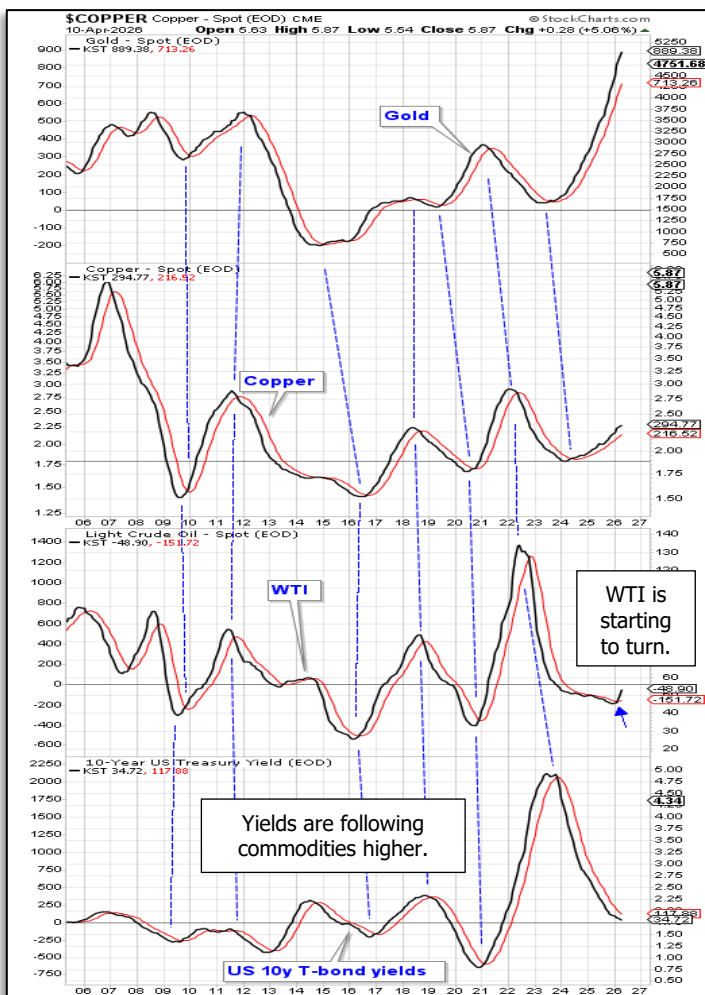


Chart 1a

The last part of the sequence of events is the eventual rise in interest rates. The US 10-year T-bond yield, along with inflation, lags behind movements in WTI prices. Our models point to inflation and rate pressures building in the second half of 2026.

## GTX: Very Overbought

**Outlook: Strength remains in Q2:** The S&P Commodity Index has soared to an extreme overbought reading amid the conflict between the US/Iran. The two drivers of the conflict (Trump and Iran) are unpredictable.

Technically, there are two price support levels for the GTX. The 1<sup>st</sup> is at 5000. The 2<sup>nd</sup> is at 4500. There is a positive 'Green Cloud' in Q2. This suggests some percentage of retracement, but still an upward trajectory in the months ahead.

The long-term 10-year monthly data view supports higher levels for the GTX in the future throughout 2026.

Momentum is overbought (still confirms additional upward strength). Long-term price support is around 4320. There is a broad, expanding, positive 'Green Cloud' this year. T-bond yields are lagging behind commodities by about six months. Yields are beginning to break out now (**Chart 2a**).

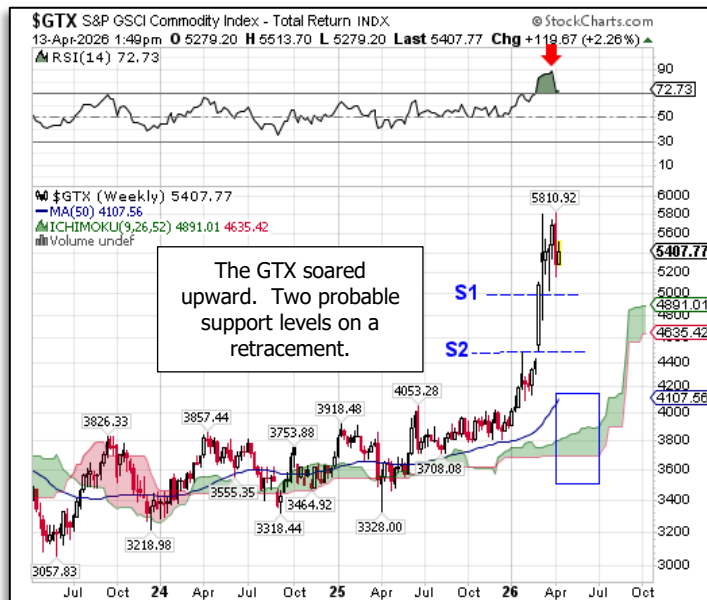


Chart 2

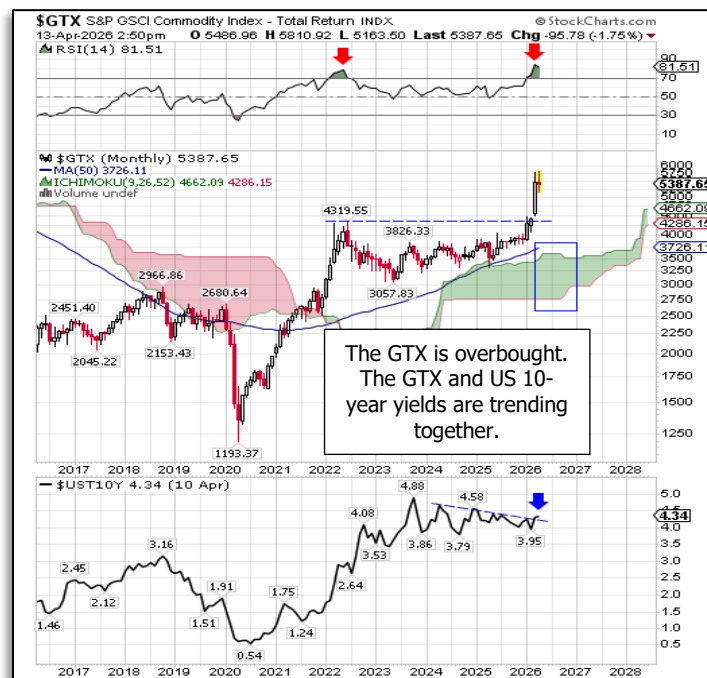


Chart 2a

**What does it mean?** The GTX is overbought both on weekly and monthly data. This suggests some retracement.

should be expected. The upward strength in commodities is still intact. Higher levels are anticipated throughout 2026.

### Inflation vs Deflation

**Outlook: Positive.** Several factors could drive up inflation. A disruption in the supply chains, growing demand, and a weak US dollar are just three. Buying momentum trends are positive (confirming additional upward strength). There is a positive, rising 'Green Cloud' in Q2, suggesting an upward trend favouring inflation in mid-year (**Chart 3**).



**Chart 3**

**What does it mean?** The main trend remains favourable for inflationary assets over deflationary assets going into mid-year. Investors should expect higher returns from inflationary assets than from deflationary assets.

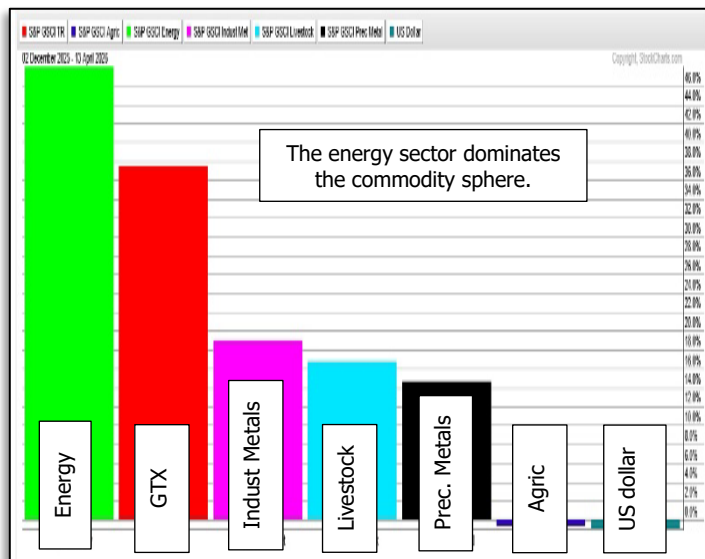
### Commodity Performance: All Energy

**Outlook: Positive:** The energy sector roared up 48.03% over the last 90 days. The GTX posted an equally impressive jump with 37.47%. Industrial metals had 19.00%. Livestock prices edged up 16.76%. Precious metals moved up 14.61%. The US dollar declined by 1.00% (**Chart 4**).

**What does it mean?** All the commodity groups, except agriculture, posted impressive returns over the last 90 days. Note the weakness in the greenback. This currency is down in value, which is aiding most commodity prices.

### WTIC: War Supply Shock Eases

**Outlook: Neutral:** Oil prices are beginning to ease as talks between the US and Iran appear to be progressing.



**Chart 4**

The likelihood that any peace talks could stall at anything, given the unpredictable nature of Trump and Iran. The IEA warned that the conflict could erase global oil demand growth this year, marking the first annual decline since the COVID pandemic.

**The 1-year trend is up.** Buying momentum (RSI) trend is still near overbought (confirming additional upward strength). A broadening negative 'Red Cloud' extends into mid-year, suggesting prices will pull back over the next few months. The first price support is \$87.00 (**Chart 5**).

**What does it mean?** Oil prices are expected to retrace in Q2 and remain around \$87- \$90. Well above 2025 levels.



**Chart 5**