

# Commodities Outlook for September 2021

A Publication of BMO Capital Markets Economic Research • Douglas Porter, CFA, Chief Economist, BMO Financial Group

## Energy, Materials and Agriculture

	Crude Oil (US\$/bbl)	Natural Gas		Lumber (US\$/mbf)	Wheat (US\$/bushel)	Canola (US\$/tonne)	Cattle (US\$/cwt)	Hogs	
		Henry Hub (US\$/mmbtu)	AECO						
2008	99.57	8.86	7.78	215	7.98	527	93.60	66.05	
2009	61.69	3.95	3.51	177	5.30	371	83.85	58.11	
2010	79.43	4.39	3.89	255	5.81	429	94.95	75.60	
2011	95.08	4.00	3.67	255	7.10	566	114.54	90.34	
2012	94.20	2.75	2.39	299	7.50	601	122.65	84.93	
2013	97.93	3.73	3.08	356	6.84	545	126.40	89.33	
2014	93.26	4.39	4.08	349	5.88	400	151.50	105.83	
2015	48.69	2.63	2.12	277	5.08	371	146.49	69.40	
2016	43.21	2.52	1.64	305	4.36	366	118.61	65.60	
2017	50.91	2.99	1.67	401	4.36	393	117.90	69.87	
2018	64.84	3.17	1.19	480	4.95	389	114.64	65.26	
2019	56.99	2.57	1.36	360	4.94	344	115.84	69.92	
2020	39.27	2.03	1.67	556	5.50	372	105.54	59.83	
y-t-d 2021	64.32	3.43	2.57	965	6.73	662	119.12	97.76	
2020	Sep	39.59	1.92	1.71	948	5.49	391	106.46	65.42
	Oct	39.46	2.39	1.91	697	6.06	401	106.84	71.92
	Nov	41.01	2.61	2.18	584	5.98	430	110.07	65.52
	Dec	47.05	2.58	2.01	818	6.00	474	110.06	66.18
2021	Jan	52.07	2.71	2.18	899	6.55	526	114.39	69.06
	Feb	59.06	5.35	3.04	989	6.52	583	115.93	78.96
	Mar	62.34	2.62	2.18	1025	6.36	632	119.31	93.07
	Apr	61.72	2.66	2.24	1224	6.68	672	120.61	105.71
	May	65.17	2.91	2.54	1604	7.10	768	116.30	112.40
	Jun	71.38	3.26	2.78	1153	6.67	682	119.74	113.66
	Jul	72.47	3.84	3.12	581	6.65	711	121.32	108.29
	Aug	67.72	4.07	2.51	423	7.26	706	123.19	97.94
	m-t-d Sep	69.29	4.62	n.a.	425	7.07	708	126.14	89.86
Forecast	2021 avg.	65.00	3.50 ↑	2.60 ↑	850	6.90 ↑	670 ↑	121.00	93.00
	2022 avg.	70.00	3.00	2.35	650	6.60 ↑	570 ↑	122.00	84.00

Commodity price forecasts are by BMO Economics and are independent of those used by BMO Capital Markets Equity Research

↑ and ↓ indicate annual forecast changes from last month

## Base and Precious Metals

		Copper	Aluminum (US\$/lb)	Zinc	Nickel	Gold (US\$/oz)	Silver
2008		3.15	1.17	0.85	9.57	872	15.01
2009		2.34	0.75	0.75	6.64	973	14.67
2010		3.42	0.99	0.98	9.89	1225	20.16
2011		4.00	1.09	0.99	10.38	1570	35.11
2012		3.61	0.92	0.88	7.96	1668	31.15
2013		3.32	0.84	0.87	6.81	1411	23.83
2014		3.11	0.85	0.98	7.65	1266	19.08
2015		2.50	0.75	0.88	5.37	1160	15.70
2016		2.21	0.73	0.95	4.35	1248	17.10
2017		2.80	0.89	1.31	4.72	1258	17.06
2018		2.96	0.96	1.33	5.95	1270	15.71
2019		2.72	0.81	1.16	6.31	1393	16.20
2020		2.80	0.77	1.03	6.25	1770	20.51
y-t-d 2021		4.16	1.06	1.30	8.12	1804	26.04
2020	Sep	3.04	0.79	1.11	6.74	1923	25.84
	Oct	3.04	0.82	1.11	6.90	1903	24.26
	Nov	3.20	0.88	1.21	7.17	1870	24.05
	Dec	3.52	0.92	1.26	7.62	1854	24.93
2021	Jan	3.62	0.91	1.23	8.10	1870	25.90
	Feb	3.84	0.94	1.24	8.42	1814	27.37
	Mar	4.08	0.99	1.27	7.47	1722	25.62
	Apr	4.23	1.05	1.28	7.48	1759	25.64
	May	4.62	1.10	1.35	7.99	1848	27.48
	Jun	4.36	1.11	1.34	8.14	1836	26.96
	Jul	4.28	1.13	1.33	8.54	1806	25.77
	Aug	4.24	1.18	1.36	8.69	1784	24.01
	m-t-d Sep	4.24	1.23	1.36	8.85	1816	24.09
Forecast	2021 avg.	4.00	1.05	1.25	8.15	1800	26.00 ↓
	2022 avg.	3.50	1.00 ↑	1.05	7.70 ↑	1700	25.50 ↓

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↑ and ↓ indicate annual forecast changes from last month

## Commodity Indices and Forecasts (US\$-terms : 2003 = 100)

		All Commodities	Oil & Gas	Metals & Minerals	Forest Products	Agricultural Products	All Commodities (C\$-terms)
	2012	279.7	270.2	353.8	108.4	216.9	199.5
	2013	271.7	283.0	304.1	128.6	200.1	199.6
	2014	252.1	271.4	270.5	121.3	170.0	198.4
	2015	170.9	142.5	244.8	98.3	151.3	155.5
	2016	160.7	126.9	241.1	110.3	135.9	151.8
	2017	178.1	149.6	249.4	144.8	139.8	165.0
	2018	204.3	189.0	257.5	169.5	147.2	188.8
	2019	191.0	165.6	267.4	124.4	141.3	180.9
	2020	179.8	114.7	303.7	198.2	151.3	171.5
<b>Forecast</b>	<b>2021</b>	<b>245.0</b>	<b>190.2</b>	<b>339.8</b>	<b>308.3</b>	<b>217.9</b>	<b>217.7</b>
	<b>2022</b>	<b>240.3</b>	<b>203.0</b>	<b>323.5</b>	<b>230.1</b>	<b>199.1</b>	<b>207.8</b>
	2019 Q4	194.7	165.0	278.0	131.3	145.7	183.5
	2020 Q1	178.4	132.8	279.2	139.8	149.2	170.5
	Q2	150.8	81.9	285.9	126.5	139.5	149.0
	Q3	192.2	119.2	322.5	271.1	147.8	182.6
	Q4	197.7	125.0	327.2	255.5	168.9	184.0
	2021 Q1	232.8	170.3	332.5	349.8	197.8	210.4
	Q2	259.2	192.0	345.0	482.4	222.6	227.0
<b>Forecast</b>	<b>Q3</b>	<b>245.9</b>	<b>201.8</b>	<b>344.1</b>	<b>194.4</b>	<b>225.7</b>	<b>220.0</b>
	<b>Q4</b>	<b>242.0</b>	<b>196.9</b>	<b>337.6</b>	<b>206.5</b>	<b>225.5</b>	<b>213.1</b>
	<b>2022 Q1</b>	<b>244.2</b>	<b>203.6</b>	<b>330.5</b>	<b>221.5</b>	<b>221.5</b>	<b>212.8</b>
	2020 Aug	198.3	124.0	331.5	286.3	145.4	187.4
	Sep	196.2	115.4	327.0	334.1	154.3	184.8
	Oct	191.7	116.1	324.4	255.9	164.7	181.0
	Nov	192.6	120.9	325.9	218.0	167.7	179.7
	Dec	208.8	137.8	331.4	292.5	174.2	191.2
	2021 Jan	221.4	152.2	335.7	322.4	190.4	201.2
	Feb	238.3	177.9	335.4	355.6	198.6	216.0
	Mar	238.7	180.7	326.5	371.5	204.3	214.2
	Apr	245.7	179.1	334.1	441.9	215.5	219.4
	May	266.8	189.3	352.0	571.5	235.1	231.0
	Jun	265.2	207.5	348.8	433.8	217.3	230.7
	Jul	254.3	211.9	345.8	238.4	220.9	227.0
	Aug	242.8	199.2	346.0	155.3	228.8	218.3

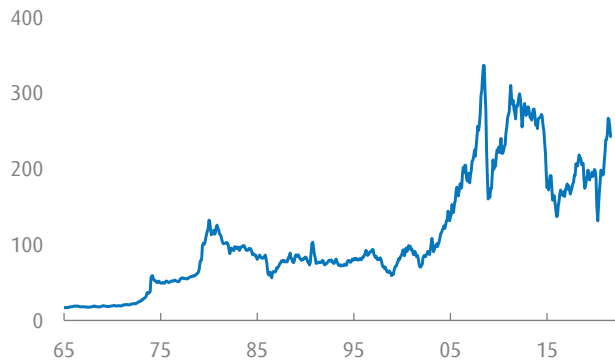
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Forecasts are independent of those used by BMO Capital Markets Equity Research

### All-Commodity Index

Nominal US\$-Terms

(2003 = 100)

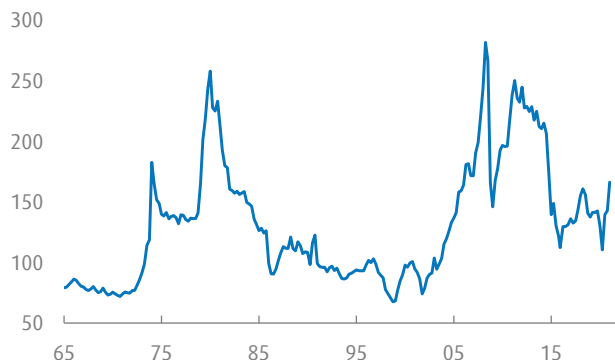


Source: BMO Economics

### All-Commodity Index

Real US\$-Terms

(2003 = 100)



Source: BMO Economics

### All-Commodity Index

Nominal

(2003 = 100)



Source: BMO Economics

### Technical Note

The BMO Capital Markets Commodity Price Index is a fixed-weight, export-based index that encompasses the price movement of 16 commodities key to Canadian exports. Weights are each commodity's average share of the total value of exports of the 16 commodities during the period 2012-16. Similarly, weights of sub-index components reflect the relative importance of commodities within their respective product group.

**The all-commodities index and sub-indices consist of the following:**

(percent)	Weight in All-Commodities Index	Weight in Sub-Index
<b>Metals &amp; Minerals</b>	29.8	100.0
Gold	10.6	35.4
Silver	1.4	4.6
Aluminum	6.4	21.4
Copper	2.3	7.8
Nickel	3.2	10.8
Zinc	0.9	3.0
Uranium	1.3	4.4
Potash	3.8	12.6
<b>Oil and Gas</b>	54.6	100.0
Crude Oil	47.6	87.2
Cdn. Natural Gas	7.0	12.8
<b>Forest Products</b>	6.5	100.0
Lumber	5.5	84.1
OSB	1.0	15.9
<b>Agricultural Products</b>	9.1	100.0
Wheat	4.5	49.5
Canola	3.3	36.6
Hogs	0.3	3.0
Beef Cattle	1.0	10.9
<b>All Commodities</b>	100.0	—

Source: BMO Economics

Unless otherwise specified, all indices reported in this publication correspond to prices in U.S. dollars.

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