

Commodities Outlook for October 2020

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						
2007	72.36	6.98	6.02	245	6.38	378	93.92	65.56	
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	1.69	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	
y-t-d 2020	38.09	1.86	1.55	510	5.33	352	104.30	57.39	
2019	Oct	53.98	2.33	1.71	367	5.08	346	109.98	64.88
	Nov	56.95	2.65	2.11	384	5.16	346	119.49	62.92
	Dec	59.81	2.22	1.82	390	5.42	350	121.72	66.08
2020	Jan	57.53	2.02	1.75	396	5.65	360	125.18	66.80
	Feb	50.53	1.91	1.39	433	5.49	345	118.90	60.59
	Mar	29.46	1.79	1.39	367	5.35	331	102.30	61.31
	Apr	16.61	1.74	1.42	317	5.41	327	90.38	46.62
	May	28.55	1.75	1.51	361	5.15	334	95.43	62.68
	Jun	38.32	1.63	1.41	392	4.97	346	95.23	48.38
	Jul	40.72	1.76	1.49	547	5.24	354	100.76	49.56
	Aug	42.35	2.30	1.90	808	5.14	370	104.86	52.97
	Sep	39.59	1.92	1.71	948	5.49	391	106.46	65.42
	m-t-d Oct	38.92	1.70	1.24	875	5.80	391	108.69	74.93
Forecast 2020 avg.		38.50 ↑	1.95 ↑	1.60	530 ↑	5.45 ↑	365 ↑	107.00	61.00 ↑
2021 avg.		45.00	2.50 ↑	1.75	370 ↑	5.80 ↑	410 ↑	118.00	78.00 ↑

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
	2007	3.23	1.20	1.47	16.89	697	13.40
	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
	y-t-d 2020	2.66	0.74	0.97	5.94	1739	19.34
2019	Oct	2.60	0.78	1.11	7.76	1495	17.66
	Nov	2.66	0.80	1.10	6.89	1472	17.18
	Dec	2.75	0.80	1.03	6.26	1480	17.10
2020	Jan	2.74	0.80	1.07	6.15	1561	17.97
	Feb	2.58	0.76	0.96	5.78	1599	17.91
	Mar	2.35	0.73	0.86	5.38	1594	14.90
	Apr	2.29	0.66	0.86	5.33	1680	15.04
	May	2.37	0.66	0.89	5.50	1716	16.22
	Jun	2.60	0.71	0.92	5.76	1734	17.73
	Jul	2.88	0.74	0.98	6.05	1841	20.44
	Aug	2.95	0.79	1.09	6.57	1971	26.90
	Sep	3.04	0.79	1.11	6.74	1923	25.84
	m-t-d Oct	2.95	0.78	1.05	6.54	1904	23.95
Forecast	2020 avg.	2.75 ↑	0.75 ↑	0.98 ↑	6.15 ↑	1780 ↑	20.50 ↑
	2021 avg.	2.80 ↑	0.76 ↓	0.95 ↑	6.85 ↑	1850 ↑	23.00 ↑

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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)
	2011	283.7	275.6	364.8	90.1	205.3	200.3
	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
Forecast	2020	177.5	112.4	302.8	188.4	149.9	170.0
	2021	190.5	131.9	319.1	131.1	164.0	178.1
	2019 Q1	185.4	160.4	256.6	128.3	143.2	176.0
	Q2	191.7	173.4	258.3	114.5	138.3	182.9
	Q3	192.3	163.5	276.8	123.5	137.9	181.2
	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
Forecast	Q4	188.5	115.6	323.8	216.2	163.1	177.7
	2021 Q1	191.7	124.9	330.9	151.2	166.2	180.2
	Q2	188.1	124.7	325.2	126.3	163.2	176.1
	2019 Sep	195.5	165.5	283.3	128.8	135.5	184.7
	Oct	190.3	156.6	280.4	126.9	142.4	179.4
	Nov	194.8	165.7	277.0	132.7	144.9	183.8
	Dec	199.1	172.7	276.6	134.4	149.9	187.3
	2020 Jan	197.7	165.8	282.6	136.5	155.1	184.6
	Feb	187.0	146.0	281.6	151.1	149.5	177.4
	Mar	150.4	86.7	273.3	131.9	143.2	149.5
	Apr	131.6	50.6	281.2	112.5	140.9	132.3
	May	151.9	84.0	285.2	128.2	139.7	151.5
	Jun	169.0	111.1	291.3	138.6	138.0	163.4
	Jul	182.2	118.2	309.0	193.0	143.7	175.8
	Aug	198.3	124.0	331.5	286.3	145.4	187.4
	Sep	196.2	115.4	327.1	334.1	154.3	184.8

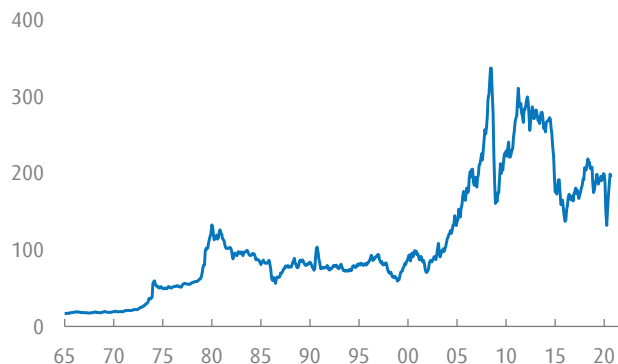
Commodity price indices and forecasts are by BMO Capital Markets Economics

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

All-Commodity Index

Nominal US\$-Terms

(2003 = 100)

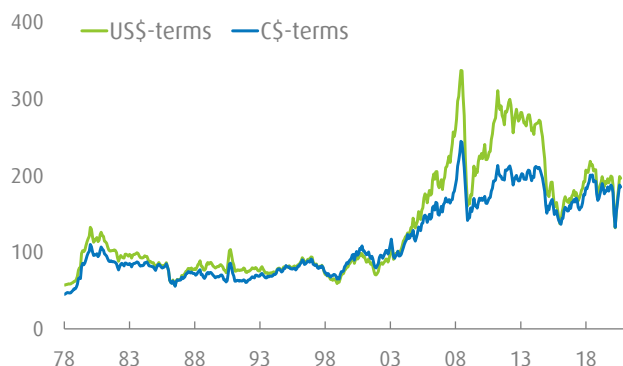


Source: BMO Economics

All-Commodity Index

Nominal

(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
Metals & Minerals	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
Oil and Gas	54.6	100.0
Crude Oil	47.6	87.2
Canadian Natural Gas	7.0	12.8
Forest Products	6.5	100.0
Lumber	5.5	84.1
OSB	1.0	15.9
Agricultural Products	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
All Commodities	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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