

Commodities Outlook for January 2023

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

Energy, Materials and Agriculture

	Natural Gas			Lumber (US\$/mbf)	Canola (US\$/t)	Wheat	Corn (US\$/bu.)	Soybeans	Cattle (US\$/cwt)		Hogs
	Crude Oil (US\$/bbl)	Henry Hub (US\$/mmbtu)	AECO						Cattle (US\$/cwt)	Hogs	
2010	79.43	4.39	3.89	255	429	5.81	4.27	10.48	94.95	75.60	
2011	95.08	4.00	3.67	255	566	7.10	6.79	13.18	114.54	90.34	
2012	94.20	2.75	2.39	299	601	7.50	6.94	14.64	122.65	84.93	
2013	97.93	3.73	3.08	356	545	6.84	5.80	14.08	126.40	89.33	
2014	93.26	4.39	4.08	349	400	5.88	4.16	12.46	151.50	105.83	
2015	48.69	2.63	2.12	277	371	5.08	3.77	9.45	146.49	69.40	
2016	43.21	2.52	1.64	305	366	4.36	3.58	9.87	118.61	65.60	
2017	50.91	2.99	1.67	401	393	4.36	3.59	9.77	117.90	69.87	
2018	64.84	3.17	1.19	480	389	4.95	3.68	9.32	114.64	65.26	
2019	56.99	2.57	1.36	360	344	4.94	3.83	8.90	115.84	69.92	
2020	39.27	2.03	1.67	556	372	5.50	3.63	9.52	105.54	59.83	
2021	67.98	3.91	2.90	883	694	7.02	5.82	13.75	122.43	91.74	
2022	94.60	6.42	4.18	781	749	9.00	6.94	15.50	141.89	97.75	
y-t-d 2023	75.85	3.56	3.05	340	634	7.46	6.60	15.03	157.42	81.03	
2022	Jan	83.17	4.38	3.55	1,186	806	7.72	6.09	14.00	137.71	83.01
	Feb	91.65	4.69	3.73	1,286	804	8.06	6.50	15.89	142.01	97.31
	Mar	108.41	4.90	4.01	1,350	886	11.25	7.47	16.80	139.25	102.86
	Apr	101.78	6.60	5.47	1,054	929	10.66	7.86	16.82	139.81	104.08
	May	109.34	8.14	5.90	949	908	11.41	7.89	16.77	132.80	104.64
	Jun	114.60	7.70	5.71	595	808	10.11	7.58	16.90	135.77	109.45
	Jul	100.74	7.28	4.20	655	664	8.07	6.63	15.50	135.74	114.98
	Aug	93.11	8.81	2.57	567	654	7.84	6.32	15.70	140.02	105.70
	Sep	84.04	7.88	3.44	501	607	8.56	6.82	14.61	144.63	92.64
	Oct	87.37	5.66	2.42	453	642	8.70	6.86	13.81	147.77	89.27
	Nov	84.37	5.45	4.56	420	649	8.12	6.68	14.42	152.47	84.16
	Dec	76.61	5.53	4.56	357	635	7.48	6.51	14.74	154.71	84.95
2023	m-t-d Jan	75.85	3.56	3.05	340	634	7.46	6.60	15.03	157.42	81.03
Forecast	2023 avg.	90.00	5.00 ↓	3.75 ↑	450	620 ↓	7.50 ↓	6.40	13.80	156.00 ↑	92.00 ↓
	2024 avg.	80.00	4.50	3.50	525	570	7.20	5.70	12.80	146.00	94.00

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

	Gold (US\$/oz)	Silver	Copper	Aluminum (US\$/lb)	Zinc	Nickel	Iron Ore (US\$/t)
2010	1,225	20.16	3.42	0.99	0.98	9.89	147
2011	1,570	35.11	4.00	1.09	0.99	10.38	169
2012	1,668	31.15	3.61	0.92	0.88	7.96	130
2013	1,411	23.83	3.32	0.84	0.87	6.81	135
2014	1,266	19.08	3.11	0.85	0.98	7.65	97
2015	1,160	15.70	2.50	0.75	0.88	5.37	56
2016	1,248	17.10	2.21	0.73	0.95	4.35	58
2017	1,258	17.06	2.80	0.89	1.31	4.72	71
2018	1,270	15.71	2.96	0.96	1.33	5.95	69
2019	1,393	16.20	2.72	0.81	1.16	6.31	93
2020	1,770	20.51	2.80	0.77	1.03	6.25	108
2021	1,800	25.16	4.23	1.12	1.36	8.38	159
2022	1,802	21.75	4.00	1.23	1.58	11.71	120
y-t-d 2023	1,866	23.86	3.93	1.07	1.41	12.77	120
2022	Jan	1,816	23.15	4.43	1.36	1.64	131
	Feb	1,858	23.46	4.51	1.48	1.65	10.96
	Mar	1,947	25.22	4.64	1.60	1.80	15.47
	Apr	1,935	24.51	4.62	1.48	1.98	15.10
	May	1,852	21.90	4.25	1.28	1.70	12.67
	Jun	1,835	21.49	4.10	1.16	1.65	11.71
	Jul	1,739	19.09	3.42	1.09	1.40	107
	Aug	1,766	19.72	3.61	1.10	1.62	9.97
	Sep	1,685	18.82	3.51	1.01	1.42	10.28
	Oct	1,666	19.41	3.46	1.02	1.34	9.94
	Nov	1,725	21.00	3.64	1.06	1.33	11.45
	Dec	1,794	23.23	3.80	1.09	1.42	110
2023	m-t-d Jan	1,866	23.86	3.93	1.07	1.41	12.77
Forecast	2023 avg.	1,750 ↑	21.00 ↑	3.60 ↑	1.05	1.25 ↑	10.50 ↑
	2024 avg.	1,650	21.50	3.50	1.10	1.10	9.00

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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)
2014	250.6	273.7	265.5	120.0	173.4	197.4
2015	170.1	143.6	229.3	97.5	150.6	154.8
2016	164.6	127.9	237.2	109.7	138.9	155.6
2017	184.7	150.7	255.6	144.1	142.0	171.2
2018	210.1	190.5	265.8	168.1	147.4	194.2
2019	196.7	167.0	271.4	122.9	141.5	186.4
2020	187.4	115.6	301.7	196.9	151.4	178.9
2021	262.9	201.0	354.1	319.5	224.1	235.2
2022	321.4	281.9	406.0	276.4	262.6	306.1
Forecast	2023	284.2	265.8	354.4	155.4	225.2
	2024	260.4	236.4	325.9	181.9	211.6
2021	Q2	272.8	193.6	361.2	480.5	227.2
	Q3	260.1	209.3	359.2	191.5	224.4
	Q4	274.6	229.7	353.5	257.9	242.5
2022	Q1	337.3	277.6	420.8	455.6	272.2
	Q2	359.5	323.7	439.5	305.7	303.7
	Q3	342.5	323.2	405.9	257.7	280.9
	Q4	285.6	246.5	386.2	144.5	236.0
Forecast	2023	Q1	284.3	250.5	379.0	135.1
	Q2	290.6	273.4	359.9	157.7	231.8
	Q3	282.7	272.9	339.2	164.4	220.3
2021	Dec	271.7	211.3	355.1	337.9	246.1
2022	Jan	304.0	245.1	385.1	414.0	248.3
	Feb	329.5	269.8	411.8	463.0	257.9
	Mar	378.4	317.8	465.5	489.8	310.5
	Apr	364.5	302.6	471.0	370.1	309.0
	May	362.7	327.3	434.3	335.9	315.0
	Jun	351.3	341.3	413.1	211.2	287.2
	Jul	313.4	301.1	370.5	226.1	240.6
	Aug	308.2	282.7	388.8	198.3	236.7
	Sep	287.9	255.1	373.4	175.2	237.9
	Oct	290.0	259.7	374.5	160.3	242.3
	Nov	288.0	250.8	385.4	149.8	237.4
	Dec	279.0	229.0	398.7	123.5	228.4
						270.6

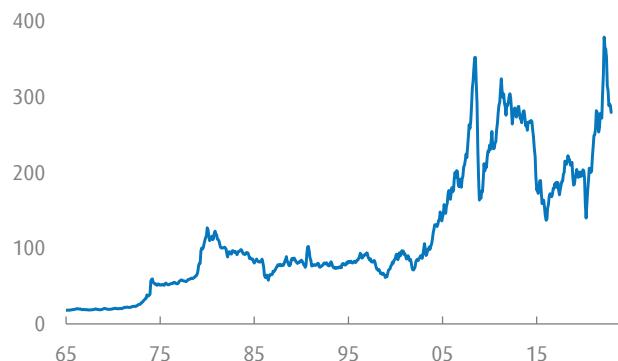
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Forecasts are independent of those used by BMO Capital Markets Equity Research

All-Commodity Index

Nominal US\$-Terms

(2003 = 100)

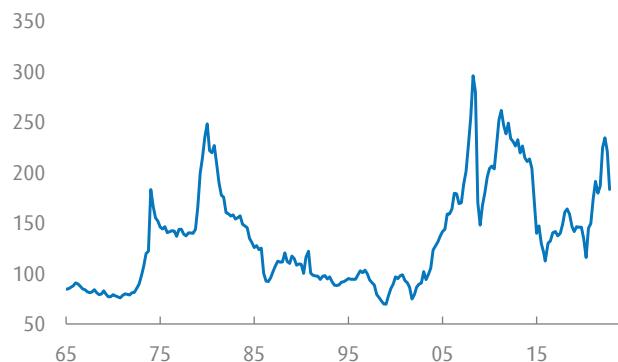


Source: BMO Economics

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 20 commodities key to Canadian exports. Weights are each commodity's average share of the total value of exports of the 20 commodities during the period 2012-21. 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	33.7	100.0
Gold	9.9	29.5
Silver	0.9	2.8
Aluminum	6.3	18.7
Copper	2.3	6.7
Nickel	2.6	7.6
Zinc	0.9	2.8
Iron Ore	3.0	9.0
Metallurgical Coal	3.2	9.6
Uranium	1.1	3.2
Potash	3.4	10.1
Oil and Gas	49.7	100.0
Crude Oil	43.8	88.3
Cdn. Natural Gas	5.8	11.7
Forest Products	6.8	100.0
Lumber	5.5	81.7
OSB	1.2	18.3
Agricultural Products	9.9	100.0
Wheat	4.1	41.7
Canola	3.1	31.6
Corn	0.2	2.4
Soybeans	1.4	14.0
Hogs	0.3	2.6
Beef Cattle	0.8	7.8
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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