

Commodities Outlook for September 2023

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

Energy, Materials and Agriculture

		Natural Gas									
	Crude Oil	Henry	AECO	Lumber	Canola	Wheat	Corn	Soybeans	Cattle	Hogs	
	(US\$/bbl)	Hub	(US\$/mmbtu)	(US\$/mbf)	(US\$/t)	—	(US\$/bu.)	—	(US\$/cwt)		
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	75.88	2.45	2.07	385	580	6.75	6.07	14.63	169.92	84.62	
2022	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	Jan	78.16	3.27	2.84	364	621	7.45	6.70	15.10	157.36	78.70
	Feb	76.85	2.38	2.10	433	619	7.52	6.71	15.28	162.55	80.49
	Mar	73.34	2.31	2.22	361	572	6.87	6.37	14.89	164.24	81.01
	Apr	79.44	2.16	1.86	346	569	6.67	6.55	14.88	173.31	75.28
	May	71.59	2.15	1.73	349	540	6.20	6.09	13.86	164.64	79.82
	Jun	70.27	2.18	1.84	380	532	6.60	6.15	14.31	178.27	90.48
	Jul	76.05	2.55	1.87	441	605	6.78	5.49	15.08	178.32	100.72
	Aug	81.37	2.58	2.03	409	589	6.13	4.76	13.88	179.49	89.79
	m-t-d Sep	85.55	2.70	2.00	420	597	5.68	4.65	13.56	180.15	83.05
Forecast	2023 avg.	79.00 ↑	2.75	2.25	390	560	6.80	6.10	14.30	175.00	83.00
	2024 avg.	82.50 ↑	3.25	2.25	450	560	7.00	5.70	12.80	175.00	92.00

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		1,933	23.44	3.91	1.03	1.23	10.55	116
2022	Sep	1,685	18.82	3.51	1.01	1.42	10.28	98
	Oct	1,666	19.41	3.46	1.02	1.34	9.94	92
	Nov	1,725	21.00	3.64	1.06	1.33	11.45	92
	Dec	1,794	23.23	3.80	1.09	1.42	13.08	110
2023	Jan	1,898	23.80	4.08	1.13	1.49	12.80	121
	Feb	1,858	21.98	4.06	1.10	1.43	12.10	126
	Mar	1,909	21.93	4.01	1.04	1.34	10.56	127
	Apr	1,999	25.01	4.00	1.06	1.26	10.77	117
	May	1,993	24.14	3.73	1.03	1.12	10.08	104
	Jun	1,944	23.43	3.80	0.99	1.07	9.61	112
	Jul	1,950	24.05	3.83	0.98	1.09	9.48	113
	Aug	1,921	23.44	3.79	0.97	1.09	9.29	108
	m-t-d Sep	1,943	24.25	3.84	0.98	1.11	9.30	118
Forecast	2023 avg.	1,920 ↑	23.00 ↑	3.90	1.00	1.20	10.20	112 ↑
	2024 avg.	1,800 ↑	22.00 ↑	3.65	1.05	1.20	8.75	100

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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	328.3	281.9	426.4	276.4	262.6	313.9
Forecast	2023	273.5	229.8	382.6	141.7	211.5	260.9
	2024	266.7	240.8	342.0	163.4	210.7	245.1
	2021 Q4	274.6	229.7	353.5	257.9	242.5	247.2
	2022 Q1	337.3	277.6	420.8	455.6	272.2	305.4
	Q2	377.4	323.7	492.5	305.7	303.7	343.8
	Q3	358.5	323.2	453.4	257.7	280.9	329.3
	Q4	285.8	246.5	386.5	144.5	236.0	277.2
	2023 Q1	281.1	221.4	415.7	132.7	223.5	271.3
	Q2	264.4	213.7	383.7	127.7	205.9	253.9
Forecast	Q3	273.1	235.6	370.5	157.2	208.7	260.3
	Q4	275.4	248.4	360.4	149.3	207.7	258.1
	2024 Q1	275.3	248.4	356.2	158.2	214.2	254.8
	2022 Aug	318.0	282.7	417.8	198.3	236.7	293.0
	Sep	292.9	255.1	388.5	175.2	237.9	278.2
	Oct	291.8	259.7	379.8	160.3	242.3	285.7
	Nov	288.0	250.8	385.5	149.8	237.4	276.7
	Dec	277.5	229.0	394.3	123.5	228.4	269.2
	2023 Jan	284.7	228.5	416.2	125.1	227.3	273.2
	Feb	284.0	222.9	417.6	147.2	229.0	272.5
	Mar	274.6	212.8	413.3	125.7	214.2	268.2
	Apr	278.0	229.8	399.7	121.9	212.1	267.8
	May	259.3	207.5	380.1	125.0	199.3	250.3
	Jun	255.9	203.8	371.3	136.2	206.3	243.6
	Jul	268.3	221.0	373.4	163.5	218.9	253.3
	Aug	273.1	236.1	370.9	156.2	205.2	262.4

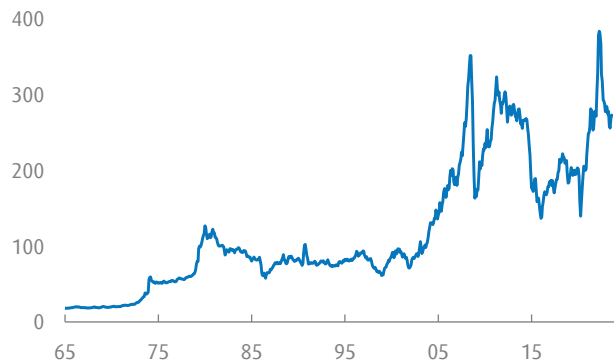
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All-Commodity Index

Nominal US\$-Terms

(2003 = 100)

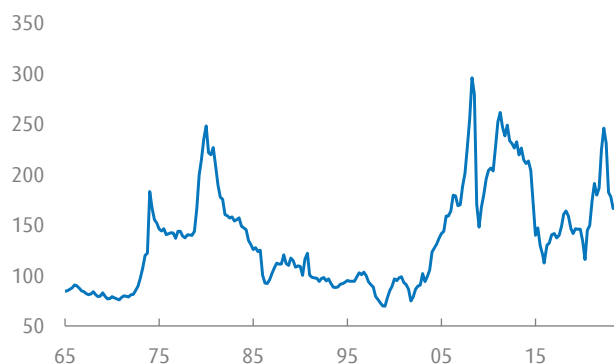


Source: BMO Economics

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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