Chapter 1 : Gold, Crude Oil Prices May Fall as US Dollar Gains After FOMC

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Currency Strategist Fundamental analysis, economic and market themes. Please enter valid Last Name Please fill out this field. Please enter valid email Please fill out this field. Please fill out this field. Yes No Please fill out this field. For more info on how we might use your data, see our privacy notice and access policy and privacy website. Subscribe For more info on how we might use your data, see our privacy notice and access policy and privacy website. Your forecast comes with a free demo account from our provider, IG, so you can try out trading with zero risk. Or, read more articles on DailyFX You are subscribed to Ilya Spivak You can manage you subscriptions by following the link in the footer of each email you will receive An error occurred submitting your form. Please try again later. Commodity prices stall as all eyes turn to FOMC policy announcement Gold prices may fall as anti-fiat appeal fizzles amid US Dollar rebound Crude oil prices vulnerable if EIA inventory data echoes API projection Commodity prices marked time in Tuesday trade, with investors seemingly unwilling to commit to a directional bias before the much-anticipated FOMC monetary policy announcement crosses the wires. Indeed, the priced-in probability of such an outcome implied in Fed Funds futures is 95 percent. The likelihood of a further increase in December is pegged at Absent a highly improbable dovish about-face from the rate-setting committee, that puts the spotlight on the policy path. As it stands, markets have accounted for 50 basis points in tightening â€” meaning two rate hikes at the typical pace of 25bps apiece â€” for next year. An upshift on this front is likely to boost the greenback, weighing on anti-fiat gold prices by extension. Interestingly, US Dollar selling over the past month has played out alongside a drop in US Treasury bonds, pointing to the unwinding of haven demand as the driving narrative. Against this backdrop, even a status-quo Fed stance may send it higher , if only in that the announcement puts the spotlight back on the widening yield gap between USD and other currencies. The EIA weekly inventory flow report is expected to show stockpiles shed 1. A leading estimate published by API yesterday pointed to a 2. Official figures echoing that outcome might compound any Fed-inspired selling pressure. See our guide to learn about the long-term forces driving crude oil prices! From here, a break above that as well as trend resistance at Alternatively, a drop below the range floor marked by the August 24 lowat A renewed upward push that leads to a daily close above this barrier exposes the Alternatively, a reversal back below the

Chapter 2 : Steel Price Forecast | General Steel

*Guide to Commodity Price Forecasting [and Jiler, Harry, and Parker, George B. Commodity Research Bureau (U.S.)] on calendrierdelascience.com *FREE* shipping on qualifying offers.*

Forecast What Influences the Price of Steel? Steel building pricing is more complicated than you might assume. Steel is a global commodity, and that means the price of steel varies on a daily basis. Prices can be influenced by hundreds of factors including: Domestic Factors The strength of the United States dollar Demand for steel used in any product Trade tariffs General condition of the world economy Natural disasters Wars and other political events The Pricing Factors You Control vs External Influencers While some factors that influence the cost of your metal building like the size and the components added to create a custom metal building are within your control, many of the ingredients that influence the current price of steel are external forces. Knowing the current facts will help you determine the right time to lock your steel building price. This increase followed suit in North America, where the price of steel is expected to climb 4. As demand increased, so too did supply as improving economic conditions worldwide contributed to a better-than-expected year for the steel industry. Those conditions contributed to higher steel prices globally above , although prices stayed relatively stable in the United States below over the full year. As we noted last year, Chinese production was set to decelerate as the Chinese economy shifts away from manufacturing and infrastructure and toward services. This trend is expected to continue as Chinese officials announced last year that the country will decrease steel production by more than million tons by That prediction is also supported by a nearly percent increase in steel prices in the United States from May to December Steel prices, despite the recovery in the latter half of , are still historically low. Locking a price in at the current low steel prices is a great way to capitalize on the market and maximize the value of your steel building. When we talk about locking a price in, we are referring to an advantage General Steel offers to potential buyers. Upon signing a contract to buy one of our steel buildings, General Steel allows you to lock the price of your steel building kit for up to 90 days. Locking your price allows you to avoid the big swings in steel pricing and a surprising price tag on delivery day. As a successful business for more than two decades, General Steel has the stability and buying power to offer the highest quality product at a price you can afford. Let us guide you through your decision. No matter where you are in the process of building, General Steel has a solution for you.

Chapter 3 : History of Commodity Research Bureau (CRB)

Guide to commodity price forecasting. by Commodity Research Bureau (U.S.), Harry Jiler, George B. Parker starting at $ Guide to commodity price forecasting. has 0 available edition to buy at Alibris.

Sugar, cane, raw, world, lb. With the exception of silver the remaining commodities, like gold are expressed in US Dollar for a given unit of that commodity. Silver has been expressed in UK pound sterling. A screen shot of the data sheet is given below: The analysis begins with a calculation of the historical average correlation over the entire period of study. This historical average correlation is then taken as the correlation that should result for future time periods. Each future time period is a day period. In the worksheet we are reworking commodity prices based on these day trailing moving average correlations for the period April to August For example if we are looking at the relationship between WTI and Corn Oil, we first keep WTI prices as actual prices and change Corn Oil prices for the mentioned period so that each day trailing correlation for the period is equal to the historical average. Next we keep Corn Oil Prices as the actual prices and change the WTI prices for the mentioned period so that each day trailing correlation for the period is equal to the historical average. The graph above shows that there is not much deviation between the actual and simulated prices. On the other hand take the relation between gold and WTI. In this instance there is much greater variance between the actual and simulated prices indicating that maybe WTI or gold or both are mispriced. On the other hand the reason could be that the commodities are now responding to different drivers and events as compared to what was the case historically. In either event this relationship needs further investigation and assessment. Our excel file also includes the following calculations: Trailing correlations based on the actual price time series data- both a data series as well as a graphical representation as shown in the screen shot below. For a more in depth review of how trailing correlations are calculated you may like to review the following post, a part of our on-line course on Correlation: Correlation â€"Trailing Correlations 2. Relative price ratios for WTI and Gold against each commodity as shown in the screen shot below for Copper. For a more detailed review of how relative value analysis is used in assessing commodity prices you may like to purchase our Excel file: Relative Gold Price Model â€" Forecasting the price of gold and review the following article: Short Gold or add to your positions? A look at gold silver ratio and relative value argument 3. Besides the relative value ratios What can 1 barrel of crude oil buy? The graph below shows the actual and assumed ratios based on simulated prices for Wheat; In the case of Wheat the assumed ratio tracks the actual ratio quite closely indicating that current Wheat prices are in line with the historical correlation with WTI prices. Our Crude Oil mispricing model is now available for sale.

Chapter 4 : Crude Oil, Gold Prices May Edge Up as the US Dollar Backtracks

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Currency Strategist Fundamental analysis, economic and market themes. Please enter valid Last Name Please fill out this field. Please enter valid email Please fill out this field. Please fill out this field. Yes No Please fill out this field. For more info on how we might use your data, see our privacy notice and access policy and privacy website. Subscribe For more info on how we might use your data, see our privacy notice and access policy and privacy website. Your forecast comes with a free demo account from our provider, IG, so you can try out trading with zero risk. Or, read more articles on DailyFX You are subscribed to Ilya Spivak You can manage you subscriptions by following the link in the footer of each email you will receive An error occurred submitting your form. Please try again later. Crude oil and gold prices marked time amid Labor Day market closures ISM data, risk rebound may help commodities on the US Dollar pullback Follow-through unlikely as trade war and emerging market risks remain Commodity prices marked time Monday as market closures in the US and Canada sapped liquidity and undermined directional conviction. Crude oil and gold prices managed narrow gains in what looked like a retracement of prior sentiment-driven losses but near-term trading ranges remained firmly intact. The pace of factory sector growth is expected to have slowed for a second consecutive month in August. A downside surprise may yet be in the cards if the release echoes recent deterioration in realized data outcomes relative to forecasts. That might weigh cool Fed rate hike bets to some extent, weighing on the US Dollar and helping commodities priced in terms of the benchmark currency by extension. A pickup in risk appetite might help. Follow-through is another matter however. See our guide to learn about the long-term forces driving crude oil prices! Near-term support is at Alternatively, a breach of resistance confirmed on a daily closing basis paves the way for a retest of the A daily close above that exposes the inflection point at Alternatively, a break below the outer layer of near-term trend support â€" now at

Chapter 5 : What are the Best Approaches for Long-Term Gold Futures Price Forecasting?

informationâ€”as captured by commodity futures pricesâ€”at the time of the forecast, together with historical price data. A number of alternate measures of forecast performance, having to.

Therefore if you are just starting out it will probably take you a bit of time to get there so you need to try to estimate what your ramp-up is going to be. Also, if you are selling your goods through a distributor he should be in a position to give you an estimate. My advice here would be not to take it at face value and to discount it slightly to avoid any bad surprises. Lead based sales forecasting One of the best techniques to forecast the sales of businesses that have a sales force is to build your volume forecast based on your lead generation capacity. To forecast your sales, you can estimate how many phone calls an average sales representative can handle in one day. From there you can deduct how many meetings your sales representative is likely to get based on an estimated success rate. And then apply another estimated success rate to deduct the number of sales from the number of meetings. Try to work out the entire sales funnel rather than using a global conversion ratio. That way you will be able to track the intermediary steps and adjust your sales forecast on the fly as you get more clarity on what the conversion rate at each step is. You will also be able to set more precise objectives to your sales force. With this technique your sales forecast will look like this: This tool will give you an estimate of the traffic associated with each keyword as well as an estimate of the number of clicks you should get for a given ad campaign. Then to build your volume forecast you need to figure out how much you can afford to spend on Adwords which will give you an estimated number of clicks. You can then apply a conversion ratio to the number of clicks to estimate you number of sales. Your sales forecast will be something like this: The idea here is to compute the implied market share of your forecast and check how realistic it is. If the number seems too high then you probably missed something. If you are a capacity constraint business such as a hotel or a restaurant you also need to ensure that the volume makes sense compared to your capacity. You also need to factor in the seasonality and check that it is reflected properly in your sales forecasts. Why the bottom-up approach is king There are two reasons why you need to build your sales forecast using a bottom-up approach and not a top-down approach. The first one is that, once you have started trading it enables you to check your assumptions and adjust your forecast based on your actual numbers. For example, if you estimated that your salesmen will be able to get in average x meetings per month but they are actually getting y. Just replace x by y in your model and you have a revised, more accurate forecast on which you can take business decisions. The second reason is to prepare your discussion with investors. If you use a pure top-down approach and say: And you are in trouble. Now if you say: The investor will most likely say nothing, give a phone call to a competitor or an expert and ask him if 25 leads per salesman per month makes sense and what is the average success rate in the industry. If you are not too far off remember that you need to demonstrate that you know your market the investor will come back to you and ask you to run your model with the numbers the expert gave him which you will then challenge because it is your market and you are the expert! The bottom line is that using a bottom-up approach enable a constructive discussion based on the assumptions used to build the number whereas the top-down approach is a black box and it just looks like you took a guess. No one likes to invest money based on a guess.

Chapter 6 : Commodity - Forecast -

If looking for a ebook by Anthony F. Herbst Analyzing and Forecasting Futures Prices: A Guide for Hedgers, Speculators, and Traders in pdf form, then you've come to the faithful site.

Zoller It was , the country was in the depth of the Depression, and the United States had just gone off the gold standard. Nevertheless, traders and those interested in commodities found very few sources of comprehensive information were available to them. At this time, Milton Jiler, a young reporter for the New York American, was covering commodity exchanges and doing freelance public relations work for some of the exchanges to supplement his income. He was quick to realize that unless one was actually on the floor of the exchanges, price and volume information was difficult to come by. Although The Wall Street Journal covered the stock market quite thoroughly, there was little if any price information available for commodity futures. Milton Jiler had a simple idea. If no one was providing information about the commodities markets, trading was limited to those people with direct access to the floor. Increased use of the telephone made communications between customers and their brokers easier, but there was no source of closing prices that could be used to establish trends and trading strategies. This was particularly important to brokers, advisors, and commercial users of the various commodities as well as the speculators who made the markets. As a journalist, Jiler firmly believed that, "No publication should be started unless it is needed. Starting with virtually no capital, Jiler had to convince potential customers and suppliers of the viability of his new idea. He first found a printer willing to produce one issue of the Futures Market Service on credit; an unheard of arrangement in light of the economic times. Additionally, he located a paper supplier willing to provide stock on the same terms. He then approached several of the people he knew would benefit from his idea. His first calls were placed to some of the leading brokerage houses of the day: Ed Pierce, president of E. They agreed to purchase several hundred copies of the new publication on a trial basis and distribute them to their brokers and key clients. When it finally appeared that the concept would become a reality, Milton convinced his brother, Harry Jiler, to join him as president of the fledgling firm. The report consisted of seven legal-size pages, with typewritten text, divided into multiple sections. The lead article was an overall analysis of the markets headed, "The Outlook for Commodity Prices. Following the lead report was an analysis of the individual commodities, grouped according to letter grades. In retrospect, this grouping provided an insight to governmental policies as well as general economic conditions of the day. Group A-1 commodities included "those contracts entitled to further price improvement on the basis of actual or indicated statistical improvement. This group has evidently discounted special factors. Its success was due in large part to its ability to provide information that was not readily available to traders. CRB built a network of more than a dozen sources to provide the current fundamental information for each exchange-traded commodity. Long considered the "Bible of the Industry," it has been published annually ever since then, with just a brief hiatus during World War II. Wartime restrictions reduced commodities trading volume as well as trader interest in the Commodity Research Bureau. During the War, shortages, allocations, rationing, and other restrictions precluded a free market of commodities. By May, , the Futures Market Service now referred to as the Blue Sheet because of the color of its paper stock reactivated the staff and resumed publishing on a full scale. Following V-E Day, the Blue Sheet concluded that the country was heading for a temporary slowdown and lower commodity prices. On May 14, , the CRB predicted: A slight decline has been under way since , owing to labor and material shortages but it will be accelerated as reconversion proceeds. This means a substantial reduction in the production of war materials. The output of civilian goods will be delayed by preparations for reconversion. Hence, on a supply and demand basis, there is little reason to anticipate any weakening of the finished goods price level. In summarizing, we doubt whether V-E Day is going to influence any protracted price declines in the commodity level Hence, we doubt whether commodity prices will be faced with a crisis until V-J Day. Hence, we believe that the greatest threat of inflation will occur during the immediate post-war reconstruction period because production will not be fully geared to meet all demands. Once production catches up with demand, the inflationary threat will vanish. However, we believe that more favorable buying opportunities will occur before the post-war recovery gets under way. Similarly, the Blue Sheet was expanding its reach to new heights. Not anticipating a career in the commodities industry, Bill earned a degree in chemistry, followed by a business degree in corporate finance. Apparently his hands-on exposure to the business appealed to him and he became an integral part of the operation. In the mids, Bill felt the need for a printed book of charts as a companion product to the Futures Market Service. Charts had long been a feature of the Commodity Year Book, so it was fitting that the staff publish these charts on a more frequent basis. On March 2, , the inaugural issue of Commodity Chart Service was published. Bill Jiler believed that this was the first step towards technical analysis. Although most of the narrative of the Futures Market Service was, and still is, based on fundamentals, the text accompanying the set of weekly and monthly charts was the "Technical Comment," as interpreted by the CRB staff. This was stated in the first issue: They are not based on any specific traditional charting system, although they may contain elements of a number of previously established methods. Comments in this section will be confined to interesting chart situations either from the technical aspect, unusual interest, or possibly profitable trading opportunities. According to Jiler, he felt that the industry needed something that better reflected the overall price activity in the commodity markets. Today, 45 years later, the CRB Futures Price Index remains the global benchmark for measuring commodity price movement. The CRB Index was originally designed to provide a dynamic representation of broad trends in commodity prices and was more reflective of the overall price of exchange-traded commodities than was the Spot Commodity Index, then compiled by the Bureau of Labor Statistics. Although the BLS index was interesting, it covered only cash transactions and was not as timely as the one compiled by the Commodity Research Bureau. Eventually the government stopped working on their commodity index and turned it over to CRB to calculate. In order to maintain the usefulness of the CRB Futures Price Index it has been periodically adjusted to reflect changes in market structure and activity. There have been nine modifications to the Index calculation and component commodities since its inception in , the last change occuring in According to outside observers and long-time staff members, Milton was the "idea" man. Developing the company and its initial products, and with his many contacts within the industry, he was responsible for marketing and promotion. Bill, the youngest brother, was considered the innovator and developer of new products. He recognized the value of developing companion products and services, most of which became successful in their own right. In the early s, the Jiler brothers received several offers for the company and its publications. William Jiler remained with the company through the rest of the decade, adding to the development of products as well as consulting with several futures exchanges. Knight-Ridder Financial Publishing initiated a switch from hand-drawn charts to computer-generated charts. The company already owned Commodity Perspective, a Chicago-based futures market charting service it had purchased in the early s, so after acquiring CRB the company published both Commodity Perspective and Futures Chart Service until the two services were merged into one in The newly merged publication was named CRB Futures Perspective and it continues to be published every Friday afternoon, immediately after the markets close. Computers and electronic databases were becoming more and more common as a business tool at the time Knight-Ridder Financial Publishing acquired CRB. Shortly after the acquisition, the staff of KRFP began the arduous process of copying into an electronic database the entire commodity price history CRB had collected and cataloged on paper since Price data from exchanges, cash markets, and third party sources, some going back into the s, was painstakingly hand-transferred to the new computerized database. The acquisition of CRB by Knight-Ridder Financial Publishing presented a logistical challenge as well, operating a publishing business from two different cities, Jersey City and Chicago. Bill Jiler worked with the NYFE in creating the contract that ultimately generated considerable additional exposure for the Index. In , Bridge Information Systems Inc. On September 7, , Logical Systems, Inc.

Chapter 7 : Forecasting Oil prices. A Study in Trailing Correlations

In this edition of PurchTips, I'll teach you four steps to basic commodity price forecasting using an example. A future edition will introduce more advanced concepts. In today's example, your paper distributor just proposed a fixed price arrangement in exchange for a one-year commitment.