

On Tenterhooks

Precious metals prices rose strongly in the first seven months of this year. Prices initially were bouncing off of four and five year lows, and the combination of fresh investment demand and short covering led to strong rebounds off of the December 2015 lows. Prices looked as if they might consolidate and weaken into a period of profit-taking and seasonal demand weakness going into May and June, but began rising before and after the U.K. vote to exit the European Union at the end of June. Since then prices have remained strong.

The continued price strength since May has been on reduced investor demand from the levels seen earlier in 2016, however, and has been accompanied by some profit-taking or long liquidation, especially in late June and July. Sales of gold and silver coins to retail investors was strong in late June and July, for example, while sales of new coins from Mints to dealers were weaker, reflecting the re-selling of coins by some investors to dealers, who re-sold them to fresh buyers rather than buy new coins from the Mints.

This suggests that the precious metals markets may be vulnerable to some near-term weakness. The term ‘on tenterhooks’ often is misunderstood. It means “in a state of suspense or agitation because of uncertainty about a future event.” Precious metals are exactly there.

On the one hand, precious metals prices have risen sharply over the first seven months of this year, and appear likely to continue to rise on a cyclical basis going forward. However, they remain vulnerable to profit-taking and a pause in the ascent in prices. There are positives and negatives lined up supporting both views but none of them seem compelling enough to move prices sharply higher or lower for now.

Prices spiked prices higher in Asian trading on the morning of 10 August, apparently triggered by a palladium order, shows how tentative and nervous the markets are. It is not clear if it is true, but some traders reported that the price rise that morning started with a purchase of

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Next Scheduled Issue: 8 September 2016

Market Data

(Data as of 11 August; Changes from 30 June)

Nymex/Comex Nearby Active Prices	% Δ	\$Δ
Gold	2.2%	29.40
Silver	7.7%	1.44
Platinum	13.2%	135.20
Palladium	15.8%	94.45
Rhodium*	-3.8%	-25.00

*Rhodium price is JM spot price.

Nymex/Comex Inventories	oz	Δ	oz
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Gold			
Eligible	8,974,003	↑	1,606,672
Registered	2,374,140	↑	454,904
Total	11,348,143	↑	2,061,576
Silver			
Eligible	125,390,490	↓	-2,518,840
Registered	27,485,570	↑	3,913,560
Total	152,876,060	↑	1,394,720
Platinum - Total			
Eligible	116,511	↓	-15,228
Registered	65,743	↑	10,418
Total	182,254	↓	-4,810
Palladium - Total			
Eligible	42,512	↑	146
Registered	26,001	-	0
Total	68,513	↑	146

Open Interest ¹	oz	Δ	oz
Gold			
December	43,483,100	↑	33,952,200
February	2,969,600	↑	1,422,400
Total	57,434,800	↓	-4,688,700
Silver			
September	597,380,000	↑	596,525,000
December	365,760,000	↑	341,900,000
Total	963,140,000	↑	938,425,000
Platinum			
October	3,786,300	↑	906,900
January	226,300	↑	94,100
Total	4,023,600	↑	969,750
Palladium			
September	2,439,800	↑	328,800
December	558,000	↑	509,500
Total	3,002,900	↑	838,100

¹Data as of 10 August, changes from 30 June.

Indicators	%Δ	\$Δ
DJIA	3.8%	684
FT World Stock Index	5.3%	13.87
FT Gold Mines Index	11.4%	211.82
CRB Index	-5.5%	-10.58
T-Bills	8.0%	2.10%
ICE Dollar Index	0.1%	0.10
\$/ Euro	0.3%	\$0.003



On Tenterhooks (Continued)

60,000 ounces of palladium. One trader suggested it was short-covering, but it more likely was a single institutional investor seeking to go long palladium given its relatively weaker position compared to the other precious metals, unaware that the palladium market is far too illiquid to handle such sized transactions. That is a large order for palladium, but it is small in broader market terms. It appears to have triggered further buying in palladium, which immediately triggered buy orders in platinum, gold, and silver as well, driving all of the precious metals prices sharply higher. That such a one-day spike could have been triggered by a \$41 million order for palladium is indicative of the thinness and nervousness in the precious metals markets at this time.

However, the same can be said of the markets for stocks and bonds. The reality is that all financial markets are

sitting on the edges of their seats. The nervousness and vulnerability in stocks and bonds may bode well for precious metals, as funds may flow into the precious metals complex as portfolio diversifiers and parking spaces for money waiting for a clearer signal that stocks are not going to take another sharp plunge, as they did last August and again in January.

The conclusion is that weakness in August and into September is still possible, but any weakness may be limited both in how low prices might decline and how long they remain lower. This reflects the reality that global and major national economic and political conditions remain at risk from a myriad of issues, from U.S. elections to U.S. interest rate policies.



CPM Group

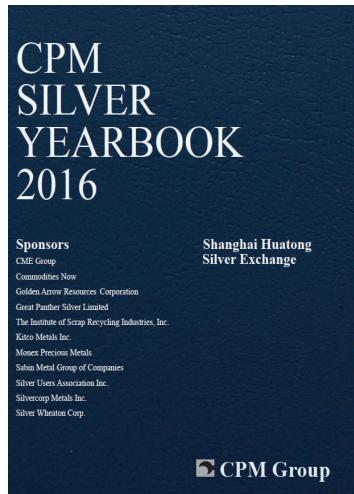
Commodities Research and Consulting,
Asset Management, and Investment Banking

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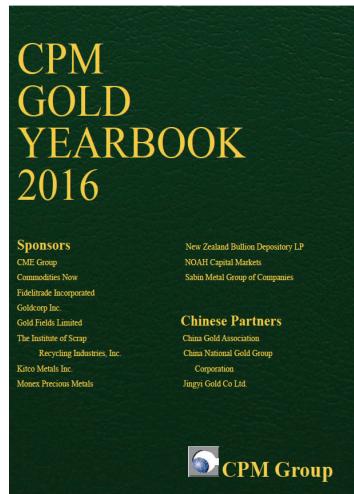
email: research@cpmgroup.com
Telephone 212-785-8320
www.cpmgroup.com



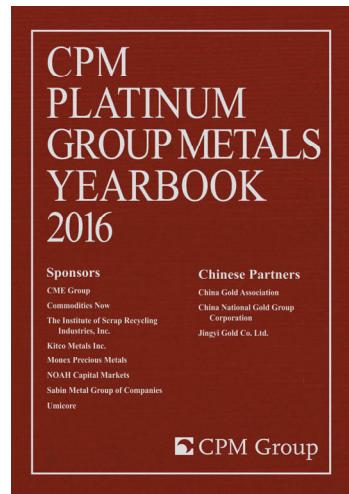
Gold, Silver, and Platinum Group Metals 2016 Yearbooks



**2016 Silver Yearbook
Released 26 April**



**2016 Gold Yearbook
Released 29 March**



**2016 PGM Yearbook
Released 21 June**

CPM Group's 2016 **Yearbooks** contain definitive and detailed analysis and statistics on international precious metals markets, including:

- Analysis of supply and demand trends
- Bullion and futures market activity
- Projections for the current year
- Detailed information on mine production
- Secondary recovery
- Central bank holdings
- Fabrication demand
- Investment demand
- Historical price information
- In-Depth analysis on futures and options activity
- Details and analysis on many other aspects of these markets

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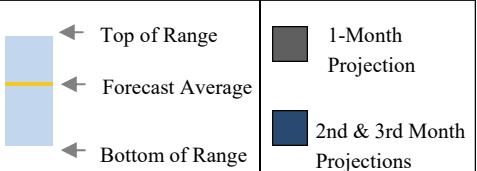
For additional information contact Matt Taub, Director of Business Development at CPM Group.
Phone: 212-785-8320

Price Targets

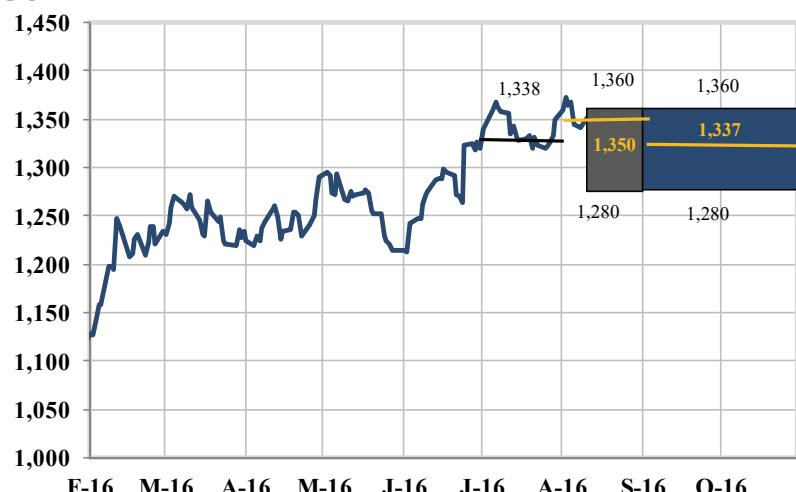
Nearby active Comex/Nymex prices. Rhodium prices are daily BASF prices. All prices are US\$/ounce.

Key

Average →



GOLD



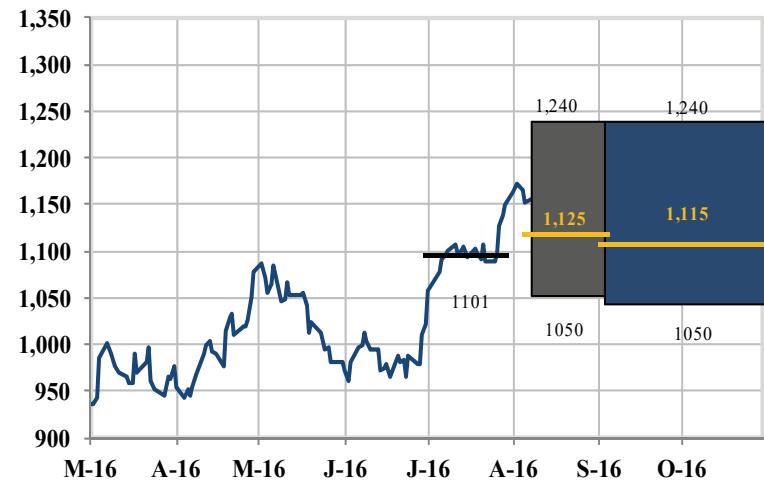
Near Term Outlook — Gold prices could consolidate between \$1,335 and \$1,355 in the near future with a greater potential to breakout on the downside in the absence of fresh price supportive news. Any weakness in gold prices is expected to be shallow and short lived, with key supports for prices in the near future at \$1,320 and \$1,300. If these levels are breached there could be some further profit taking from investors, which could drive gold prices to a possible low of \$1,280. When gold prices decline they can do so quite rapidly. Any sell off may be followed quickly by bargain hunting buying, as has been the case in recent months, reflecting longer term investor interest in gold.

SILVER



Near Term Outlook — Toward the end of August silver prices may be vulnerable to some near-term profit-taking, as some large silver inventory holders may be tempted to lock in their gains from higher prices this year. Bouts of profit-taking could push prices down to \$19.00 or even \$18.00. On the upside, if longer term investor demand for silver as a safe haven picks up later this year, prices could make upward attempts toward \$22.00 or even \$23.00.

PLATINUM



Near Term Outlook — Market sentiment toward platinum may shift later in August, unless investors have more compelling reasons for following platinum prices higher other than tactically repositioning themselves in this market. Abundant physical supplies of platinum combined with seasonally weak fabrication demand may keep a cap on upward price momentum. In the case of an investor selloff, prices may fall back to \$1,100 or \$1,050. Ruling out the possibility for supply-side surprises, still stronger investment demand for platinum is called for before prices could see more upward momentum toward \$1,240.

Price Targets

Nearby active Comex/Nymex prices. Rhodium prices are daily BASF prices. All prices are US\$/ounce.

Key

Average → —

	Top of Range
	Forecast Average
	Bottom of Range

	1-Month Projection
	2nd & 3rd Month Projections

PALLADIUM



Near Term Outlook — Nymex palladium prices could slip to \$600-\$605 over the remainder of August on profit-taking by investors in the absence of fresh positive news. Prices could rise beyond \$720 later in September and October, taking cues from potential strength in gold prices and reflecting improved investor opinions of palladium based on its fundamentals. Moderate fabrication demand growth is expected to keep price gains in check, however. In the event of a sudden deterioration in investor sentiment, fresh short building and/or long liquidation by investors could see prices slide to \$560.

RHODIUM



Near Term Outlook — Rhodium prices slid further even as its peers in the platinum metals group rose in July and early August along with gold. Prices have remained at historically low levels so far this year due to a combination of weak investment demand and soft fabrication demand growth. Further declines in prices, possibly to \$580, are likely for the remainder of August and into early September. Bargain buying by longer term investors could kick in at this price level, providing some upward momentum to prices. This coupled with seasonal demand strength in the fourth quarter could help pull up prices to \$715 in late September or October. Price gains beyond \$715 seem unlikely given a slowdown in the metal's fabrication demand growth.



Gold Outlook

Gold prices are likely to soften over the next few weeks. While the medium and longer term fundamentals remain supportive of higher gold prices there is little in terms of fresh news in the market to drive gold prices strongly higher in the near future. That said, any weakness in gold prices is expected to be shallow and short-lived. Key support levels for gold prices are at \$1,320 and \$1,300. If these levels are breached there could be some further profit taking from investors, which could drive gold prices to a possible low of \$1,280. When gold prices decline they can do so quite rapidly. Any sell off may be followed quickly by bargain hunting buying, as has been the case in recent months, reflecting longer term investor interest in gold.

Gold Prices

Gold Prices: 1 January 2010 to 11 August 2016

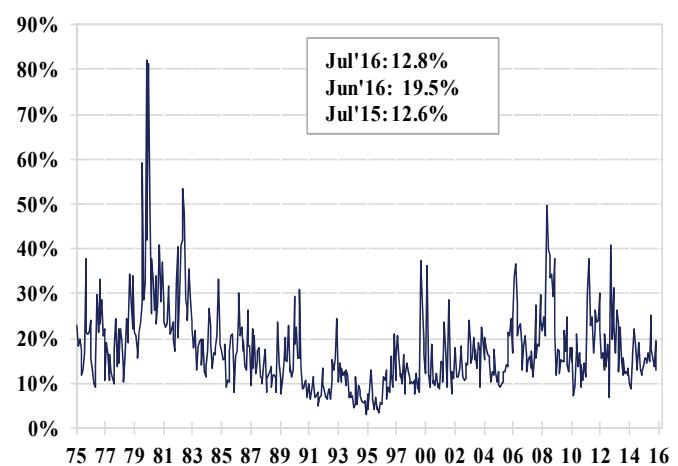


Meanwhile, prices may continue to consolidate between \$1,335 and \$1,355 over the next few days. Such consolidation could result in a breakout to the downside in the absence of fresh price supportive news. Even while the market faces this risk the overall improvement in sentiment toward gold and the healthy medium to long term fundamentals of the market are likely to result in these lower prices being used as a buying opportunity by those investors that kept away from the metal during its surge in the first seven months of this year.

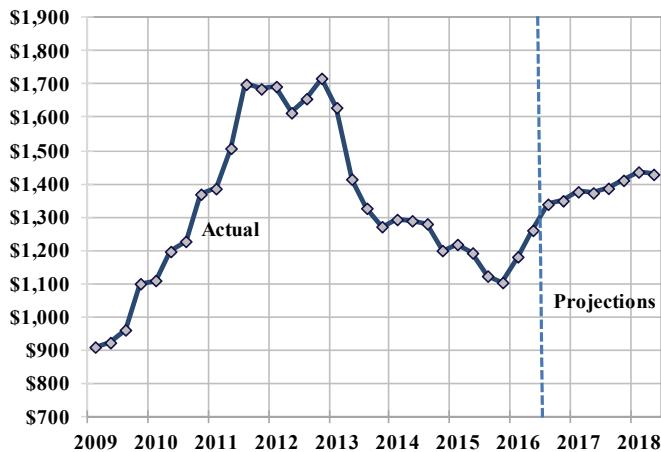
One of the key headwinds to gold is likely to be the ongoing improvement in the U.S. labor market. There is one more unemployment report (for August) due before the Fed meeting in September. Even if this report shows a

Gold Price Volatility

Monthly, Through July 2016



Gold Quarterly Average Price Projections to Q2 2018

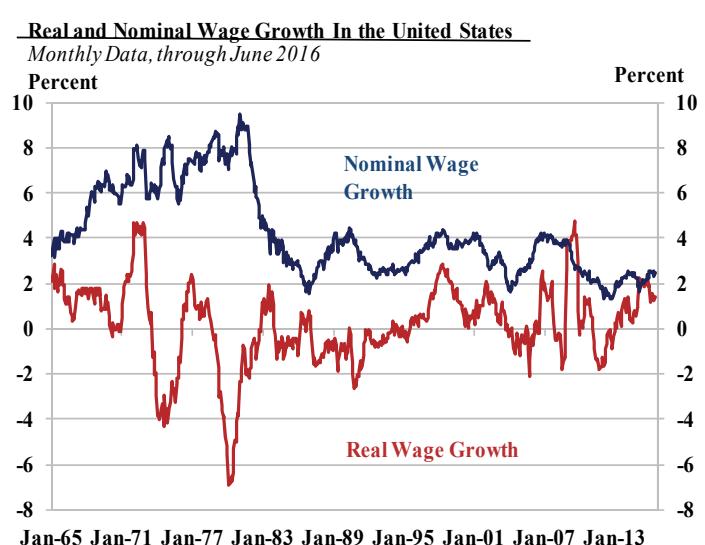
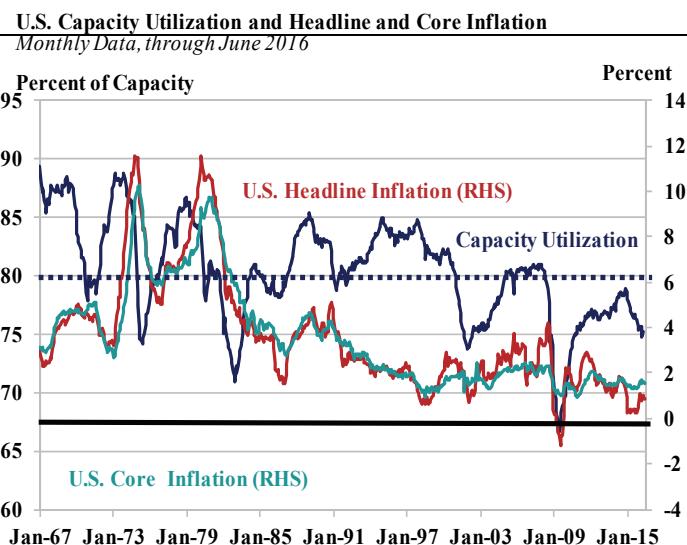


Year	Quarter	Quarterly AVG	Change	Annual AVG	Change
2016	III	\$1,339	-0.5%	\$1,283	10.6%
	IV	\$1,350	1.5%		
2017	I	\$1,377	2.0%		
	II	\$1,374	-0.3%		
	III	\$1,387	1.0%		
	IV	\$1,412	1.8%	\$1,387	8.1%
2018	I	\$1,436	1.8%		
	II	\$1,429	-0.5%		



Gold Outlook

healthy improvement in hiring, it is highly unlikely that the Fed will raise rates before the U.S. election, at its September or November meetings. There is a possibility that if the labor market continues to show strength of the kind shown in the past two months the Fed will raise rates in December 2016. It may not be very aggressive in raising rates given the various soft spots in the domestic as well as global economy, however. Domestically, while the labor market is showing signs of strength there is still some slack in the labor market from the growing number of underemployed people. Inflation also has been struggling to rise. Capacity utilization, labor market productivity, and real wages all are showing signs of weakness. Globally the ongoing monetary easing by various central banks will result in the dollar strengthening, as was seen in 2015, in anticipation of and in response to an interest rate hike in the United States. Dollar strength could further weigh on U.S. inflation and economically hurt net importing countries.





Investment Demand

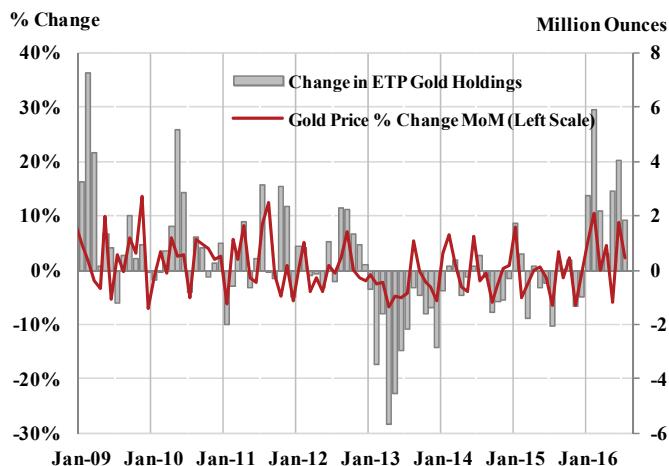
Gold ETF holdings rose for the seventh consecutive month in July to 68.9 million ounces, the highest level of gold held by ETFs since May 2013. The rate of net additions slowed during the month, however, with the increase in July the second lowest so far this year. The lowest net additions for the year were in April at 594,521 ounces. Gold held by ETFs have recovered 20.23 million ounces from the 37.83 million ounces lost through the end of last year from the peak of 86.5 million ounces reached in December 2012. The 20.23 million ounces of gold added to ETFs during the first seven months of 2016 is already more than previous annual record high net addition of 19.8 million ounces in 2009. The growth in gold ETF holdings had continued into the first week of August and the positive sentiment toward the metal is

expected to keep investors interested in adding to their holdings.

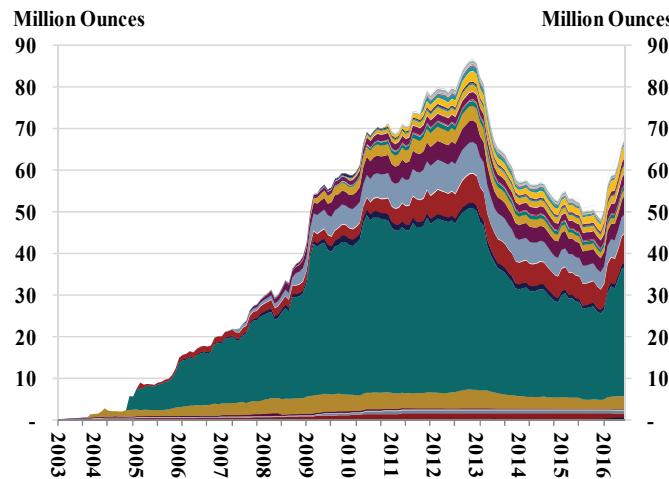
Institutional investors have been shedding both their gross long and gross short positions in Comex gold during July. This helped keep net long positions on the Comex near record high levels. Gross long positions held by these investors fell 7.6% to 36.18 million ounces on 26 July from 39.17 million ounces on 28 June. Gross long positions were still very high by historic standards. At the end of July these investors' gross short positions fell 9.1% to 5.63 million ounces from the end of June, and were at their lowest levels since January 2015. It is worth noting that institutional investors initially continued their aggressive fresh long and short building during the first week of July, with gross longs reaching a record 41.48 million ounces on 5 July. This resulted in a

Investment Demand: Gold Exchange Traded Products

Monthly Changes in ETP Gold Holdings and % Change in Gold Price
Through 29 July 2016

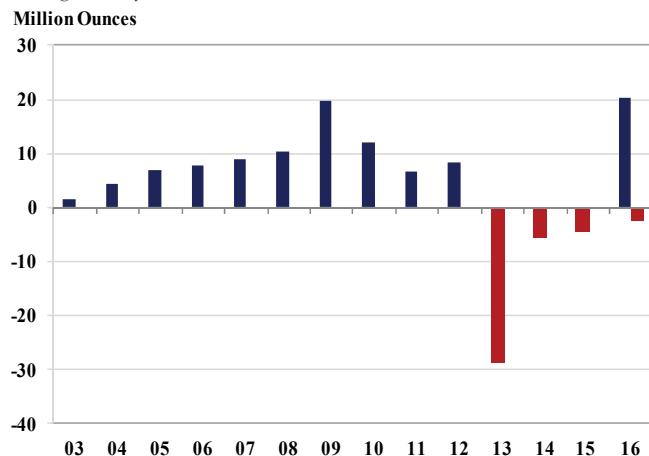


Exchange Traded Products' Physical Gold Holdings
Through July 2016



Annual Net Changes to Gold ETP Holdings

Through 31 July 2016



Note: Yellow bar shows net additions in corresponding period in 2015

Gold ETP Holdings

Data as of 29 July, Changes from 30 June 2016

	Month-end Holdings	Δ %	Δ Ounce
GLD	30,803,697 ↑	0.8%	258,523
ZKB	4,580,726 ↑	0.5%	24,967
IAU	7,063,519 ↑	3.9%	265,887
PHAU	4,742,113 ↑	14.8%	609,713
GBS - LSE	3,251,797 ↑	6.1%	187,795
Total for Top Five ETPs	50,441,853 ↑	2.7%	1,346,885
Total ETP Holdings	68,943,223 ↑	2.8%	1,849,831
YTD Net Change to Total ETP Holdings	↑ 41.5%	20,228,391	



Investment Demand: Non-Commercial Positions

record net long position of 34.77 million ounces at that time. It was during the last three weeks of July that these investors started to liquidate some of their gross longs and gross shorts.

During the seven-day reporting period that ended 2 August institutional investors resumed building fresh long and short positions on the Comex. Their gross longs rose 6.4% to 38.5 million ounces as of 2 August from 26 July, while gross shorts increased by 4.5% to 5.88 million ounces during the same period. Net longs held by institutional investors in Comex gold stood at 32.63 million ounces as of 2 August, a historically high level.

Total open interest fell over the course of July to 56.9 million ounces, down from 62.1 million ounces at the end of June. The decline in open interest was accompanied

Comex Gold Futures & Options Market Participant Positions

Million Troy Ounces

	2-Aug	Δ Month Ago		Δ Year Ago	
		Volume	%	Volume	%
<u>Large Non-Commercial Market Participants</u>					
Gross Longs	38.5	-0.7	-1.7%	17.8	85.8%
Money Managers	29.7	0.0	-0.1%	16.5	125.5%
Other traders	8.8	-0.6	-6.6%	1.3	16.6%
Gross Shorts	-5.9	0.3	-5.0%	5.0	-45.8%
Money Managers	-3.0	-0.6	22.7%	5.4	-64.6%
Other traders	-2.9	0.9	-22.9%	-0.5	19.0%
Net Position	32.6	-0.4	-1.1%	22.8	230.4%
Money Managers	26.7	-0.6	-2.2%	22.0	460.7%
Other traders	5.9	0.2	4.2%	0.8	15.4%

Large Commercial Market Participants

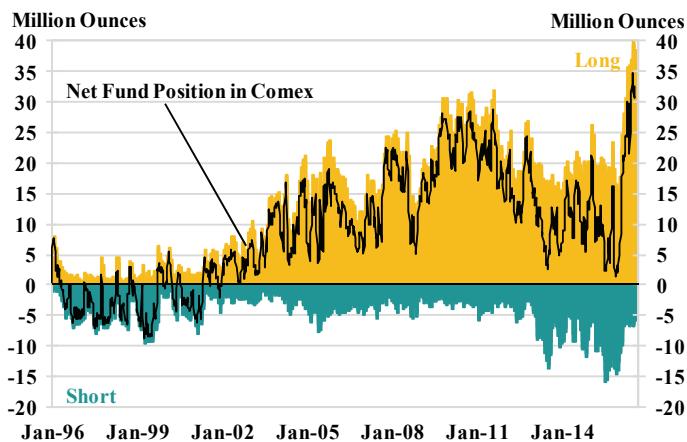
Gross Longs	20.9	-0.8	-3.6%	-1.1	-5.0%
Gross Shorts	-56.6	0.6	-1.0%	-24.0	73.8%
Net Position	-35.6	-0.2	0.6%	-25.1	238.9%

Note: Negative numbers indicate short positions.

Source: CFTC

Gross Long and Short Positions of Non-Commercial Positions

Comex Gold Futures & Options. Weekly Data, through 2 August 2016



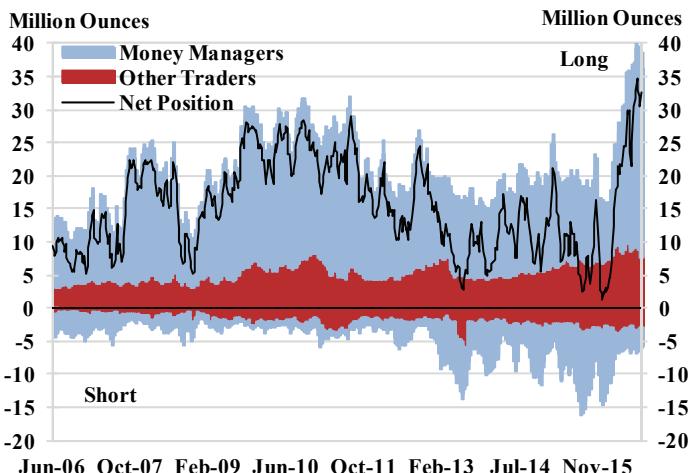
Net Long Non-Commercial Positions and Gold Prices

Weekly Data, through 2 August 2016



Gross Long & Short Positions: Disaggregated Non-Commercial Positions

Comex Gold Futures and Options. Weekly Data, Through 2 August 2016





Investment Demand: U.S. Mint Gold Coins

by increases in prices, suggesting the pace of short covering surpassed that in long liquidation. This was reflected in the commitment of traders' reports released by the CFTC. Open interest has continued to rise into the early trading days of August, reaching 57.5 million ounces on 9 August.

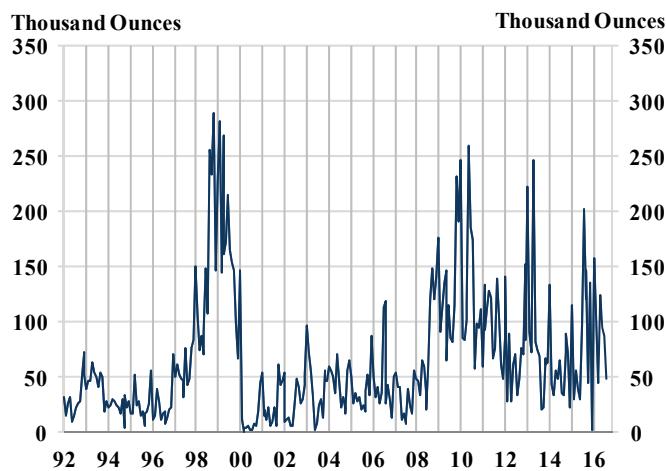
During the first ten calendar days of August 1.16 million ounces of gold were delivered into the August Comex contract. During this period, total Comex reported stocks rose to 11.35 million ounces from 10.7 million ounces at the end of July. Registered stocks rose to 2.4 million ounces from 2.1 million ounces and eligible stocks rose to 8.97 million ounces from 8.6 million ounces. Casual observers might conclude that 1.16 million ounces of the 2.1 million ounces of registered gold, or 55% of the total registered inventories at the end of July, were delivered during the first third of August. In reality, much of the

metal delivered on any given day during the start of an active delivery month is typically redelivered several times as active month contracts are closed.

U.S. Mint gold sales to dealers continued to soften in July, with sales during the month totaling 48,500 ounces. This was the second lowest level of sales for the year so far. Higher prices typically result in weaker demand from the relatively price sensitive coin investors. Despite weakening demand from dealers, demand in the first seven months was 662,000 ounces, up 15.8% over the same period last year. It was the highest level of demand for the first seven months since 2013, when demand during over this period had reached 859,500 ounces. Over the remainder of the year demand from dealers for U.S. Mint coins will largely be dependent on the amount of coins that are sold back by investors to dealers.

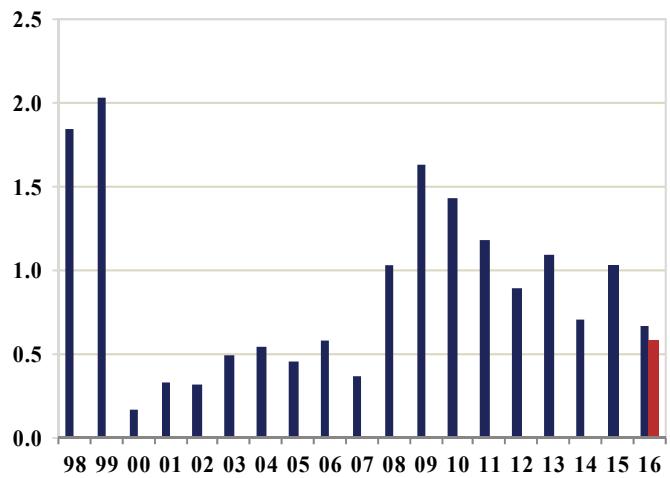
Monthly U.S. Mint Gold Coin Sales to Dealers

Through July 2016



U.S. Mint Gold Coin Sales to Dealers

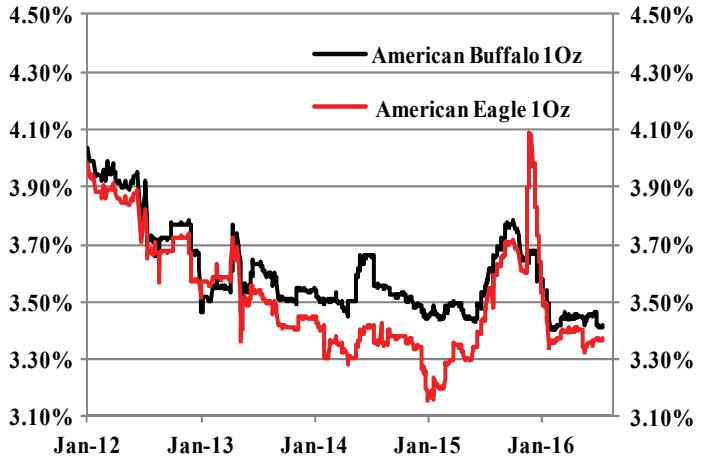
Through July 2016



Note: Red bar shows net additions in corresponding period in 2015

Dealer Premia on U.S. Mint Gold Coins

Daily Data through 29 July 2016





Markets: Comex

Comex Gold Deliveries & Monthly Changes in Reported Inventories

Troy Ounces

Year	Month	Deliveries	Y-o-Y Δ	Month-End Inventories			Net Monthly Change in Inventories		
				Registered	Eligible	Total	Registered	Eligible	Total
2012	January	119,700	66.9%	2,376,818	9,117,591	11,494,409	-154,399	294,964	140,565
	February	316,400	-72.2%	2,463,637	8,962,863	11,426,500	86,819	-154,728	-67,909
	March	138,400	11.7%	2,396,634	8,953,846	11,350,479	-67,004	-9,017	-76,021
	April	466,700	20.2%	2,405,892	8,489,284	10,895,177	9,259	-464,562	-455,302
	May	58,400	2.6%	2,513,291	8,493,793	11,007,084	107,399	4,509	111,907
	June	607,300	-8.3%	2,639,453	8,192,239	10,831,692	126,162	-301,554	-175,392
	July	76,900	313.4%	2,812,791	7,993,764	10,806,555	173,339	-198,476	-25,137
	August	979,900	19.2%	2,711,168	8,250,384	10,961,551	-101,624	256,620	154,996
	September	77,100	-73.8%	2,556,358	8,452,914	11,009,272	-154,810	202,531	47,721
	October	713,100	8.4%	2,735,042	8,508,258	11,243,300	178,684	55,344	234,028
	November	39,600	-93.1%	2,534,863	8,855,539	11,390,402	-200,179	347,281	147,102
	December	325,300	-85.3%	2,288,412	8,770,264	11,058,676	-246,451	-85,275	-331,726
2013	January	106,300	-11.2%	2,925,052	8,084,284	11,009,336	636,640	-685,980	-49,340
	February	1,307,000	313.1%	2,869,645	7,419,689	10,289,334	-55,407	-664,595	-720,002
	March	422,900	205.6%	2,920,620	6,358,814	9,279,433	50,975	-1,060,876	-1,009,901
	April	1,163,200	149.2%	2,147,399	5,981,756	8,129,154	-773,221	-377,058	-1,150,279
	May	305,000	422.3%	1,571,803	6,483,105	8,054,907	-575,596	501,349	-74,247
	June	986,900	62.5%	1,352,771	6,145,451	7,498,222	-219,032	-337,654	-556,686
	July	16,000	-79.2%	939,502	6,051,928	6,991,430	-413,269	-93,523	-506,792
	August	407,500	-58.4%	702,488	6,310,737	7,013,225	-237,014	258,809	21,795
	September	29,300	-62.0%	769,837	6,092,979	6,862,816	67,349	-217,758	-150,410
	October	439,300	-38.4%	707,095	6,446,632	7,153,727	-62,741	353,653	290,912
	November	3,900	-90.2%	590,817	6,625,331	7,216,148	-116,279	178,700	62,421
	December	649,300	99.6%	494,446	7,333,606	7,828,052	-96,371	708,275	611,904
2014	January	15,800	-85.1%	439,900	6,701,492	7,141,392	-54,546	-632,115	-686,661
	February	383,200	-70.7%	637,592	6,539,502	7,177,094	197,692	-161,990	35,702
	March	8,400	-98.0%	876,637	6,864,207	7,740,845	239,046	324,705	563,751
	April	518,200	-55.5%	812,103	7,123,480	7,935,583	-64,534	259,273	194,739
	May	69,200	-77.3%	808,820	7,421,744	8,230,564	-3,283	298,264	294,981
	June	300,800	-69.5%	912,600	7,385,949	8,298,550	103,780	-35,795	67,986
	July	44,000	175.0%	936,484	7,780,495	8,716,979	23,883	394,546	418,430
	August	628,100	54.1%	1,150,231	8,777,103	9,927,335	213,748	996,608	1,210,356
	September	77,800	165.5%	961,184	8,166,098	9,127,282	-189,047	-611,006	-800,053
	October	126,800	-71.1%	885,780	7,536,662	8,422,442	-75,404	-629,436	-704,840
	November	142,400	3551.3%	812,914	7,115,788	7,928,703	-72,866	-420,874	-493,740
	December	338,100	-47.9%	770,987	7,124,160	7,895,148	-41,927	8,372	-33,555
2015	January	9,500	-39.9%	769,023	7,198,794	7,967,817	-1,964	74,634	72,669
	February	117,400	-69.4%	814,896	7,522,694	8,337,590	45,873	323,901	369,773
	March	5,300	-36.9%	658,834	7,351,841	8,010,674	-156,062	-170,854	-326,916
	April	280,100	-45.9%	571,168	7,217,839	7,789,007	-87,665	-134,002	-221,667
	May	2,600	-96.2%	370,452	7,501,069	7,871,521	-200,716	283,231	82,514
	June	295,900	-1.6%	517,217	7,526,377	8,043,594	146,765	25,308	172,073
	July	72,800	65.5%	351,519	7,220,766	7,572,285	-165,698	-305,611	-471,309
	August	511,300	-18.6%	472,783	6,748,341	7,221,125	121,264	-472,425	-351,161
	September	3,200	-95.9%	162,221	6,690,258	6,852,480	-310,562	-58,083	-368,645
	October	95,000	-25.1%	227,086	6,473,694	6,700,780	64,864	-216,564	-151,700
	November	21,400	-85.0%	134,877	6,242,769	6,377,647	-92,208	-230,925	-323,133
	December	553,600	63.7%	275,915	6,076,614	6,352,529	141,038	-166,155	-25,118
2016	January	17,200	81.1%	96,802	6,330,237	6,427,039	-179,113	253,623	74,510
	February	256,900	118.8%	239,974	6,544,998	6,784,972	143,171	214,761	357,933
	March	74,300	1301.9%	340,058	6,511,112	6,851,170	100,084	-33,886	66,198
	April	398,400	42.2%	636,504	6,613,767	7,250,270	296,445	102,655	399,101
	May	221,500	8419.2%	973,465	7,479,243	8,452,708	336,961	865,477	1,202,438
	June	1,578,500	433.5%	1,919,236	7,367,331	9,286,567	945,771	-111,912	833,859
	July	689,700	847.4%	2,124,568	8,594,205	10,718,772	205,332	1,226,874	1,432,205
	August*	1,167,900	128.4%						

Note: Deliveries are notices issued by short market participants to the exchange clearinghouse. The clearinghouse then assigns these in the same depositories. Since October 1992, there was an -.18 correlation between monthly changes in total inventories and monthly delivery notices. Since January 1996, there was a -.28 correlation between monthly changes in registered inventories and monthly delivery notices.

Source: CME Group, CPM Group

*August data through 10 August

Official Sector (Central Bank) Activity

Official Transactions

Net additions to gold holdings during the first six months of this year have amounted to 7.6 million ounces, with 10.69 million ounces in gross addition and 3.09 million ounces in gross reductions. In addition to Russia, China, Kazakhstan, which have consistently been adding gold to their holdings, the Bank of International Settlements (BIS) has started aggressively building gold swaps since March. The BIS has boosted net additions to central bank holdings in the first half of this year, with its net addition at 5.37 million ounces as of June from the end of last year.

Changes in Central Bank Gold Reserves in 2015

Million Troy Ounces

	Year-End 2014	YTD 2015	Net Change 2014-2015	Month of Reporting To IFS
Countries Increasing Reserves				
China	33.89	56.66	22.770	Dec.
Russia	38.84	45.48	6.636	Dec.
Kazakhstan	6.17	7.13	0.964	Dec.
Ukraine	0.76	0.88	0.120	Dec.
Malaysia	1.15	1.23	0.080	Dec.
Mauritius	0.25	0.29	0.032	Dec.
Tajikistan	0.28	0.40	0.122	Dec.
Greece	3.62	3.62	0.003	Dec.
France	78.30	78.31	0.010	Dec.
UAE	0.00	0.24	0.240	Dec.
Albania	0.05	0.05	0.001	Dec.
Subtotal Gross Increases			30.978	
Subtotal Net Changes				
	Year-End 2014	YTD 2015	Net Change 2014-2015	Month of Reporting To IFS

Countries Decreasing Reserves

	Year-End 2014	YTD 2015	Net Change 2014-2015	Month of Reporting To IFS
BIS**				
BIS**	8.58	3.40	-5.176	Dec.
El Salvador	0.22	0.04	-0.174	Dec.
Germany	108.81	108.70	-0.105	Dec.
Sri Lanka	0.74	0.71	-0.032	Jun.
Mexico	3.95	3.90	-0.046	Dec.
Czech Republic	0.34	0.32	-0.019	Dec.
Macedonia	0.22	0.22	0.000	Dec.
Belarus	1.36	1.350	-0.010	Dec.
Mongolia	0.09	0.07	-0.022	Dec.
Subtotal Gross Decreases			-5.584	
Subtotal Net Changes			25.394	

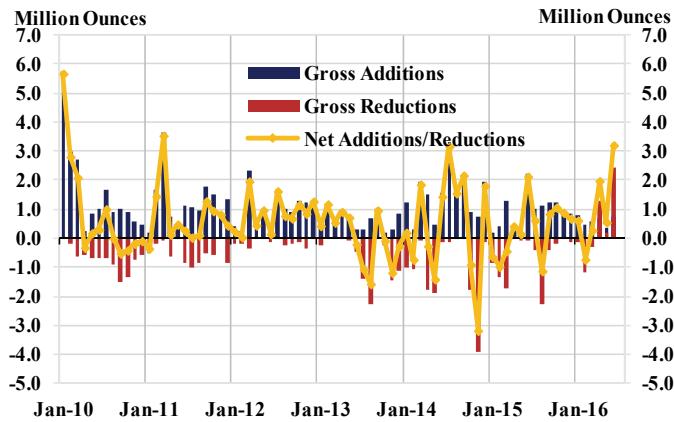
Changes in Central Bank Gold Reserves in 2016

Million Troy Ounces

	Year-End 2015	YTD 2016	Net Change 2015-2016	Month of Reporting To IFS
Countries Increasing Reserves				
China	56.66	58.64	1.980	Jun.
Russia	45.48	48.19	2.709	Jun.
Kazakhstan	7.13	7.66	0.530	Jun.
Mauritius	0.29	0.37	0.084	Jun.
BIS**	3.40	8.77	5.371	Jun.
Bulgaria	1.29	1.30	0.011	Jun.
Subtotal Gross Increases			10.686	

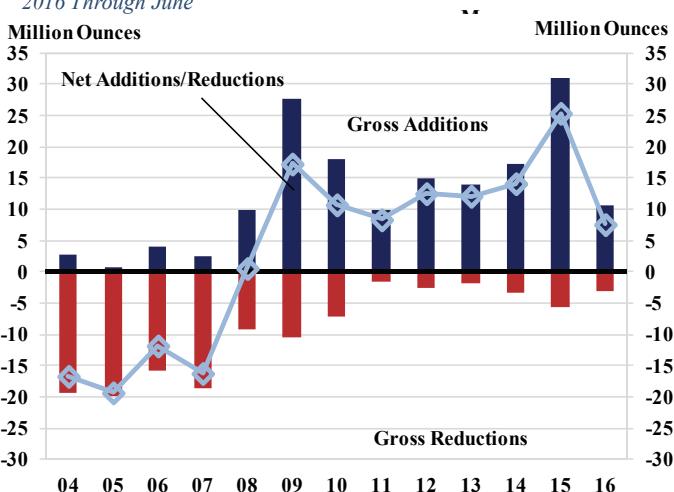
Monthly Changes to Central Bank Gold Holdings

Excludes China, India, Turkey and IMF Transactions, Through Jun. 2016



Annual Central Bank Changes in Gold Holdings

2016 Through June



Countries Decreasing Reserves

	Year-End 2015	YTD 2016	Net Change 2015-2016	Month of Reporting To IFS
Subtotal Gross Decreases				
Belarus	1.35	1.30	-0.050	Jun.
Canada	0.05	0.02	-0.030	Jan.
Jordan	1.33	1.11	-0.220	Apr.
Malaysia	1.23	1.17	-0.060	Jun.
Mongolia	0.07	0.06	-0.010	May
Suriname	0.04	0.02	-0.020	May
Venezuela	8.77	6.24	-2.530	May
Ukraine	0.88	0.81	-0.070	Jun.
Mexico	3.90	3.89	-0.010	Jun.
Mozambique	0.16	0.07	-0.090	May
Subtotal Net Changes			7.596	
*Turkey is excluded because additions to monetary gold reserves were made through the reserve option mechanism, a tool used to encourage commercial banks to satisfy their Turkish lira reserve requirements with gold.				



Markets: London Bullion Market Association

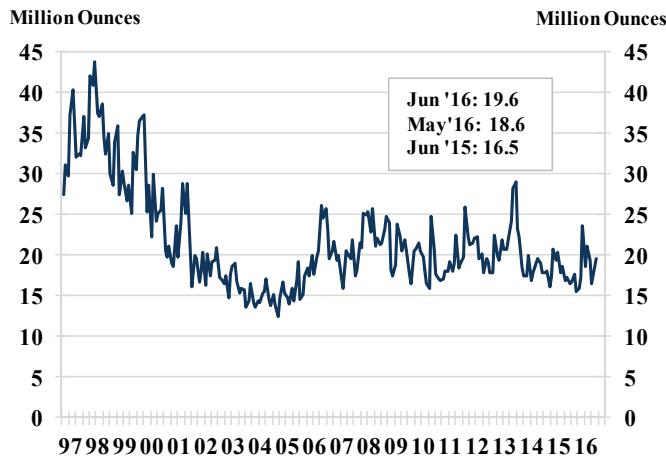
LBMA - Daily Average Number of Transfers
Through June 2016



LBMA - Value of Daily Average Gold Volumes Transferred
Through June 2016

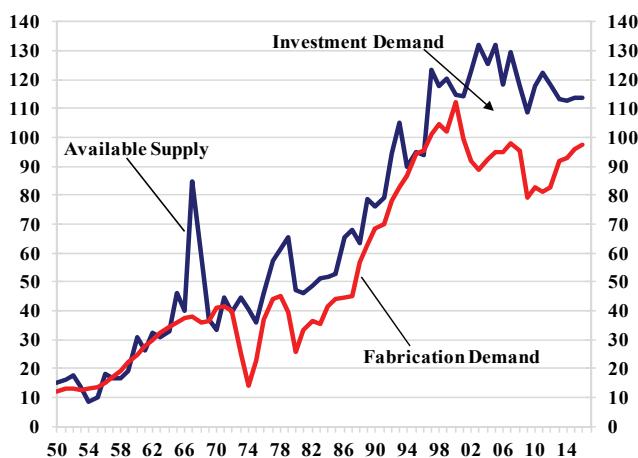


LBMA - Value of Daily Average Ounces of Gold Transferred
Through June 2016



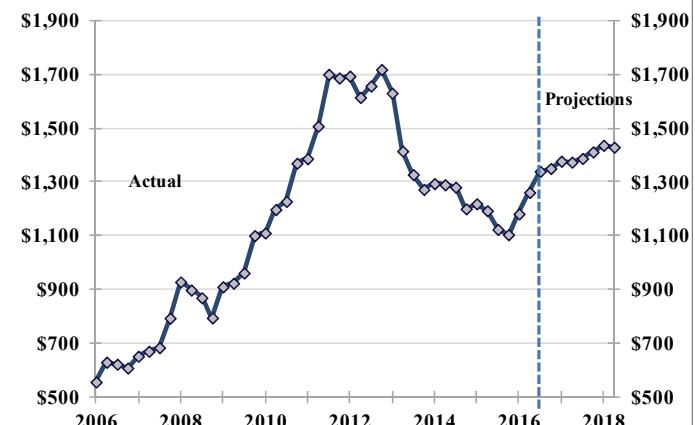
World Gold Supply and Demand

Million Ounces



Gold Quarterly Average Price Projections

\$/Ounce, through Q2 2018



Gold Statistical Position

Million Ounces

Supply	2009	2010	2011	2012	2013	2014	2015	2016p
Mine Production								
China	10.1	11.0	11.6	13.0	13.8	14.5	14.5	13.8
Australia	7.2	8.4	8.3	8.0	8.3	8.7	8.8	8.3
United States	7.2	7.4	7.7	7.6	7.3	6.8	7.2	7.3
Russia	6.6	6.5	6.1	6.4	7.6	8.0	8.0	7.6
South Africa	6.6	6.2	6.0	5.7	5.4	4.9	4.4	5.4
Peru	5.9	5.4	5.3	5.2	4.9	4.5	4.4	4.9
Indonesia	4.1	3.4	3.1	3.1	3.0	2.2	2.2	3.0
Canada	3.1	3.3	3.2	3.3	4.0	4.9	5.3	4.0
Other Market Economies	24.0	26.2	27.7	27.9	29.2	34.4	35.2	38.1
Total	74.8	77.7	78.9	80.1	83.6	88.9	89.9	92.5
% Change Year Ago	7.9%	3.9%	1.5%	1.5%	4.5%	6.3%	1.1%	2.9%
Secondary Supply	47.1	46.3	46.8	47.2	39.3	35.1	30.2	27.9
% Change Year Ago	4.1%	-1.5%	1.0%	0.9%	-16.8%	-10.7%	-13.9%	-7.4%
Transitional Economy								
Sales	3.9	4.3	4.8	3.5	2.2	2.8	2.9	3.2
% Change Year Ago	-	9.3%	-	-	-	-	-	-
Total Supply	125.8	128.3	130.5	130.8	125.1	126.8	123.0	123.7
% Change Year Ago	6.3%	2.0%	1.7%	0.2%	-4.3%	1.3%	-3.0%	0.6%
Fabrication Demand								
Industrial Demand								
Electronics	8.7	9.7	9.6	9.7	9.8	9.6	9.6	9.6
Dental/Medical	2.3	2.2	2.2	2.1	2.0	1.9	1.9	1.9
Other	1.3	1.6	1.8	1.8	1.6	1.6	1.6	1.6
Total	12.4	13.5	13.6	13.5	13.4	13.1	13.0	13.1
% Change Year Ago	-12.1%	9.2%	0.5%	-0.4%	-1.0%	-2.3%	-0.4%	0.5%
Jewelry								
Developed Countries	9.3	8.7	8.2	7.9	7.8	7.9	8.0	7.8
Developing Countries	57.7	60.7	59.4	61.2	70.8	72.1	75.1	76.6
Total	67.0	69.4	67.6	69.1	78.6	80.0	83.1	84.4
% Change Year Ago	-17.4%	3.5%	-2.5%	2.2%	13.7%	1.7%	3.9%	1.6%
Total Fabrication Demand	79.4	82.9	81.2	82.6	92.0	93.0	96.1	97.5
% Change Year Ago	-16.6%	4.4%	-2.0%	1.8%	11.3%	1.2%	3.3%	1.4%
Stock Demand								
Total Official Transactions	17.3	10.8	8.4	12.5	12.1	14.1	13.4	10.0
% Change Year Ago	NM	-37.8%	-22.2%	50.0%	NM	NM	-5.4%	-25.2%
Net Private Investment								
Official Coins	6.7	6.1	7.0	5.6	8.2	6.1	7.0	7.1
Bullion	17.9	23.6	31.0	27.3	10.4	11.3	4.5	6.1
Medallions	4.5	5.0	3.0	2.7	2.4	2.2	2.0	3.0
Total	29.1	34.7	41.0	35.6	21.0	19.6	13.5	16.2
% Change Year Ago	29.0%	19.2%	18.1%	-13.2%	-40.9%	-6.8%	-31.1%	19.9%
Total Stock Demand	46.4	45.5	49.4	48.1	33.1	33.7	26.9	26.2
% Change Year Ago	100.5%	-2.0%	8.6%	-2.5%	-31.1%	1.8%	-20.4%	-2.5%
Total Demand								
(Fabrication Plus Stock Change)	125.8	128.3	130.5	130.8	125.1	126.8	123.0	123.7
Price Per Ounce							YTD	
High	\$1,218.30	\$1,421.40	\$1,889.70	\$1,796.50	\$1,693.20	\$1,379.00	\$1,300.70	\$1,372.60
Low	807.30	1,052.80	1,318.40	1,536.60	1,193.60	1,142.60	1,049.60	1,073.60
Average	974.70	1,228.63	1,572.00	1,670.15	1,409.57	1,266.20	1,158.73	1,246.55
% Change Year Ago	11.7%	26.1%	27.9%	6.2%	-15.6%	-10.2%	-8.5%	4.9%

*Million Ounces; Source: CPM Group; Notes: There may be discrepancies in totals and percent changes due to rounding; Net official sales are indicated by negative numbers; The price is the Comex nearby active settlement, 2014 Through 5 June. Longer term projections are available in CPM Group's [Gold Supply, Demand, and Price: 10-Year Projections](#) report; e -- estimates; p -- projections; NM - Not meaningful; 11 August, 2016

Silver Outlook

Investors seem to have taken a breather in their silver trading activities for much of July, after prices touched an intraday high of \$21.23 on 5 July. Since then silver prices have been moving sideways in a narrow range as trading volumes grew thinner relative to June. Prices softened temporarily to a low of \$19.33 on an intraday basis on 21 July, before rebounding to as high as \$20.83 on 2 August. During the first nine trading sessions of August prices mostly moved in a range between \$19.60 and \$20.83.

This price trend of silver largely mirrored that of gold's, as a similar array of macroeconomic and financial market factors have been predominantly shaping the day-to-day trading of the white metal. The near term industrial demand for silver, which is in a seasonal lull, has not been contributing any significant upside pressure on

prices. There is wariness among investors that silver's price upside may have run its course in the short term, as well as greater uncertainties as to how much strength prices could extend into the final four months of this year. While there has been follow-up long building of Comex silver by money managers, the pace of fresh long builds has slowed relative to the previous month. Over the past month investors also have added back some gross shorts that they had previously liquidated in June. Market participants seem to have been waiting on further macroeconomic, fundamental and technical cues before they place additional large directional bets on silver.

If this lack of investor risk appetite continues toward the end of August prices may be vulnerable to some near-term profit-taking, as some large silver inventory holders

Silver Prices

Silver Prices: 1 January 2010 to 11 August 2016



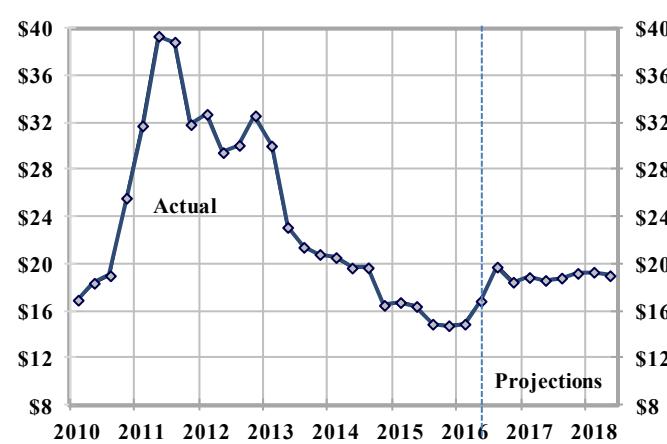
The Gold/Silver Price Ratio

Monthly, Through July 2016



Silver Quarterly Average Price Projections to Q2 2018

\$ / Ounce



Year	Quarter	Quarterly AVG	Change	Annual AVG	Change
2016	III	\$19.73	17.2%	\$17.48	11.4%
	IV	\$18.45	-6.5%		
2017	I	\$18.85	2.2%	\$18.86	7.9%
	II	\$18.60	-1.3%		
2018	III	\$18.80	1.1%	\$18.86	7.9%
	IV	\$19.20	2.1%		
2018	I	\$19.30	0.5%	\$18.86	7.9%
	II	\$19.00	-1.6%		

may be tempted to lock in their gains from higher prices this year. Bouts of profit-taking could push prices down to \$19.00 or even \$18.00. On the upside, if investor demand for silver as a safe haven picks up, prices could make upward attempts toward \$22.00 or even \$23.00.

Investors Built More Longs and Rebuilt Shorts in July

In July investor long building slowed considerably compared to the previous month. As of 2 August gross longs held by non-commercial market participants were up 12.2%, or 68.0 million ounces, from a month ago, at 627.6 million ounces. This compared to a 21.1%, or 94.4 million ounces increase in non-commercial gross longs during June. Nevertheless, at 627.6 million ounces, the total amount of non-commercial gross longs has set a fresh historical record high since CFTC COT data began being reported in its current form in April 1995. Investors also have rebuilt some shorts in silver, following their massive short liquidations in June. During the same period non-commercial gross shorts rose 18.0%, or 21.9 million ounces to 143.7 million ounces, following -15.4%, or 20.4 million ounces of liquidations registered in June. Overall sentiment toward silver among investors remained positive during July, with non-commercial net longs rising 10.5% from a month ago to 483.9 million ounces.

Silver Mine Production

During the first half of this year, Goldcorp's silver output declined as it expected, due to declines in output from its Peñasquito gold and silver mine in Mexico. Total silver mine output across the company's operations were 13.0 million ounces during this six-month period, down 31% from 18.9 million ounces in the corresponding period of 2015. The Peñasquito operation produced 7.8 million ounces of silver in concentrate during this period, down 35% from 12.0 million ounces during the same period a year ago. This was mainly due to lower ore grade and recovery from a section of the mine deposit that is less rich in ore content relative to the sections being mined in 2015. Production was also affected by a planned ten-day maintenance of its mill, which was brought back to normal operation in July. For the remainder of the year Goldcorp expects production to recover from the second quarter, as Peñasquito returns to normal operations after its maintenance shutdown. Earlier this year, the company had announced its silver production guidance for the year at between 22 and 24 million ounces, down from 25.9 million ounces of actual production in 2015.

The Cannington mine, now operated by South32 ltd, a spin-off of BHP Billiton, has recorded production declines for several calendar years since 2012, when it produced 32.2 million ounces. CPM Group expects silver output from the mine to decline by roughly 2.0 million ounces for the full calendar year of 2016. According to the latest company reports, its production for the first half of 2016 totaled around 9.5 million ounces, down 8% from 10.4 million ounces registered for the corresponding calendar period of 2015.

During the first half of this year, Glencore produced 18.8 million ounces of silver from its own mines, up roughly 14% from 16.6 million ounces during the same period in 2015. This rise in silver output was mainly attributed to a surge in byproduct output from the company's copper mines, including its Collahuasi operation in Chile and Antamina operation in Peru. This had more than offset the planned production cuts to the company's Australian operations including the Mount Isa mine and the McArthur River mine. Total silver in concentrates produced from these two mines declined 5% to around 4.2 million ounces from 4.4 million ounces during the same period in 2015. Scheduled cutbacks at these two mines are estimated to result in 700,000 – 800,000 ounces of silver production loss for 2016.

Tahoe Resources recently reported that it produced 5.7 million ounces of silver during the second quarter of 2016. This brought its half-year production in 2016 to 11.4 million ounces, a record high by its own historical standards. Increased mill throughput and higher average silver head grades at the company's Escobal primary silver mine in Guatemala contributed to higher silver production levels. The Escobal mine produced 20.4 million ounces of silver in 2015. The company expects its 2016 silver production to reach the higher end of its previously issued guidance of 18 to 21 million ounces of silver in concentrates. It also issued improved annual guidance of its total cash costs and all-in sustaining costs for silver, which are lowered to \$5.50 - \$6.50 and \$8.00 – 9.00, respectively, from its previous expectations of around \$7.50 – \$8.50 and \$10.00 – \$11.00.

Comex Silver Market

Comex Silver Futures & Options Market Participant Positions

Million Troy Ounces

	2-Aug	Month Ago Δ	Year Ago Δ	Volume	%
Large Non-Commercial					
Market Participants					
Gross Longs	627.6	68.0	12.2%	284.4	63.1%
Money Managers	521.0	70.5	15.7%	307.2	110.7%
Other traders	106.6	-2.5	-2.3%	-22.8	-15.7%
Gross Shorts	-143.7	-21.9	18.0%	147.5	-58.2%
Money Managers	-58.3	-10.4	21.8%	197.1	-81.3%
Other traders	-85.4	-11.5	15.5%	-49.6	106.5%
Net Position	483.9	46.1	10.5%	432.0	742.6%
Money Managers	462.7	60.1	14.9%	504.3	-1067.1%
Other traders	21.2	-14.0	-39.8%	-72.4	-62.4%

Large Commercial Market Participants

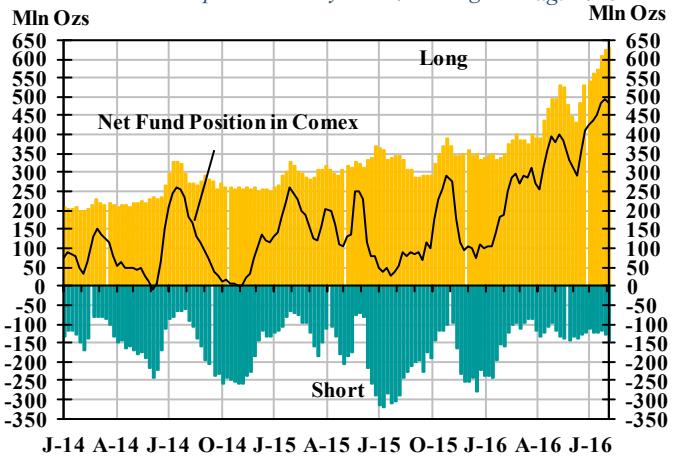
Gross Longs	285.0	-36.1	-11.2%	-183.2	-31.4%
Gross Shorts	-850.7	-22.7	2.7%	-303.5	51.3%
Net Position	-565.7	-58.8	11.6%	-486.7	542.1%

Note: Negative numbers indicate short positions.

Source: CFTC

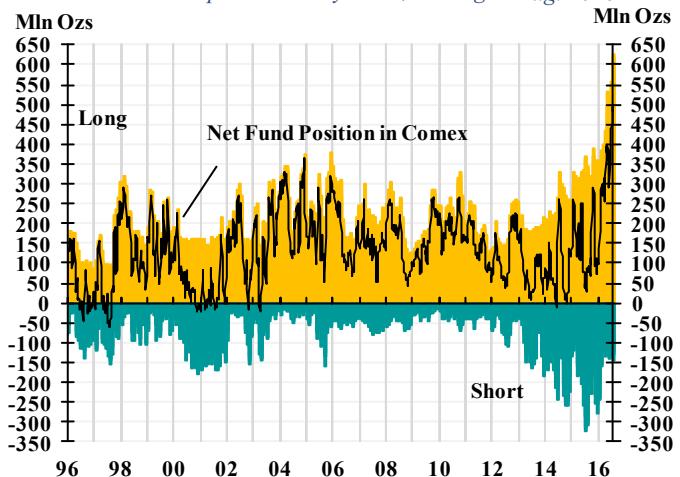
Non-Commercial Gross Long and Short Silver Positions

Comex Futures & Options. Weekly Data, Through 2 Aug. 2016



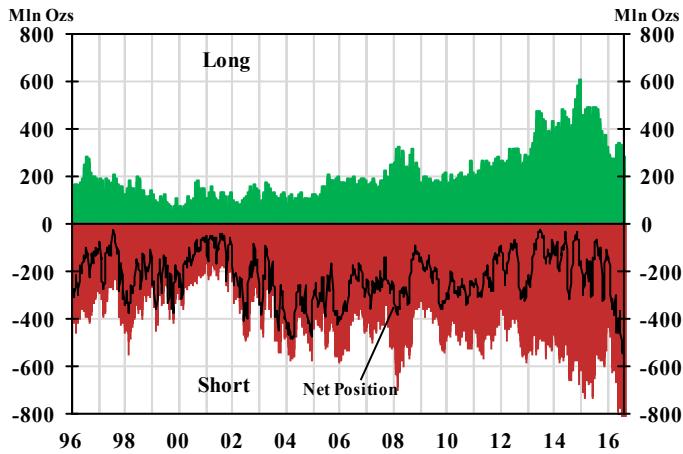
Non-Commercial Gross Long and Short Silver Positions

Comex Futures & Options. Weekly Data, Through 2 Aug. 2016



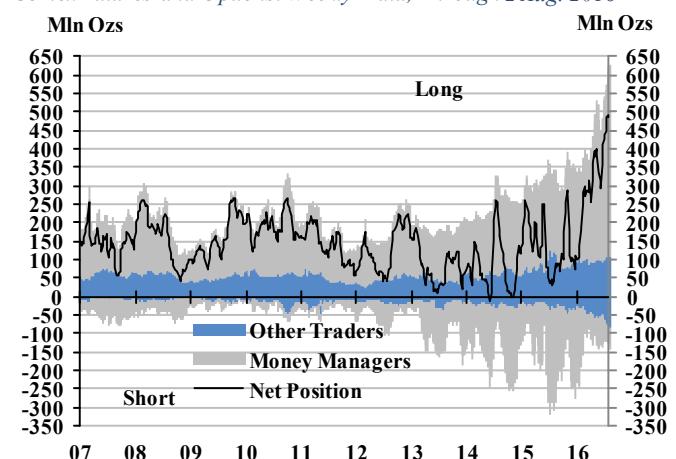
Commercial Gross Long and Short Silver Positions

Comex Futures & Options. Weekly Data, Through 2 Aug. 2016



Disaggregated Non-Commercial Silver Positions

Comex Futures and Options. Weekly Data, Through 2 Aug. 2016



Silver Bullion Coins

Silver Eagle Coin Sales Fell in July

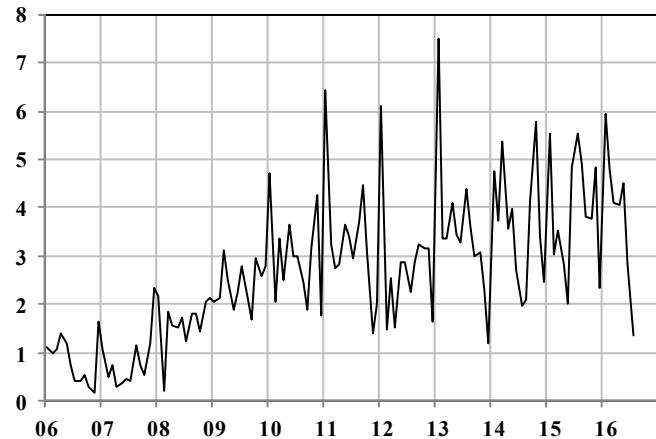
In July sales of American Eagle silver coins fell to 1.37 million ounces. This was down from around 2.84 million ounces in June and down from 5.53 million ounces registered in July 2015. This is the second consecutive month in which silver coin sales have fallen on a year-to-year basis. Some of this sales decline may be attributed to seasonality of demand, as silver coin sales generally slow during summer months. These monthly sales volumes were also compared against the elevated levels of sales registered in 2015, which was a record year for silver coin sales. Compared to a sales total of 1.98 million ounces in July 2014, the level of silver coin sales in this past June was not as meager as market participants might otherwise think. From January to July the Mint sold a total of 27.62 million ounces of American Eagle silver coins, up marginally by 1.1% from the same period last year. At the time of this report, the U.S. Mint has additionally sold 225,000 ounces of American Eagle silver coins for the month of August.

On 18 July the U.S. Mint announced to its coin distributors that it no longer was rationing the sales of its American Eagle silver coins, as it has sufficient blank coins to meet demand. In the past the U.S. Mint generally was able to halt its allocation measures in the summer due to seasonally slower demand, although last year the agency had to allocate its supplies of silver coins as it was encountering an unexpected increase in demand as well as temporary bottleneck in the supplies of blank coins.

Monthly U.S. Mint Coins

Through July 2016

Mln Oz



Monthly U.S. Eagle Silver Coin Sales by the U.S. Mint

Month	2014	2015	2016
January	4,775,000	5,530,000	5,954,500
February	3,750,000	3,022,000	4,782,000
March	5,354,000	3,519,000	4,106,000
April	3,569,000	2,851,500	4,072,000
May	3,988,500	2,023,500	4,498,500
June	2,692,000	4,840,000	2,837,500
July	1,975,000	5,529,000	1,370,000
August	2,087,500	4,935,000	-
September	4,140,000	3,804,500	-
October	5,790,000	3,788,000	-
November	3,426,000	4,824,000	-
December	2,459,000	2,333,500	-
Total YTD	26,103,500	27,315,000	27,620,500
% Change YOY	19.9%	4.6%	1.1%
Annual Total	44,006,000	47,000,000	
% Change Previous Year	3.1%	6.8%	

Dealer Premia on U.S. Mint Silver Coins

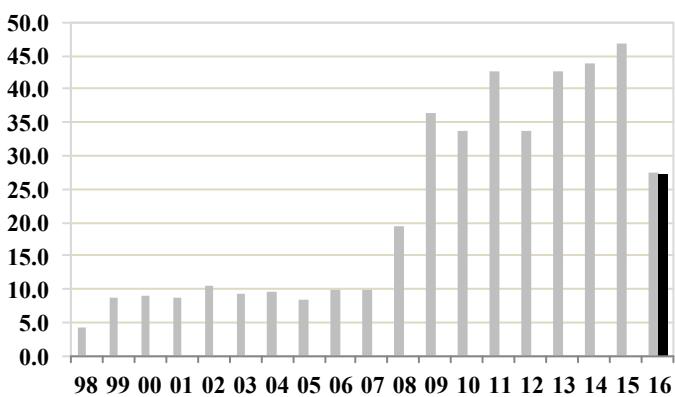
Daily Data through 10 Aug. 2016

35%



Annual U.S. Mint Silver Coin Sales to Dealers

Through July 2016

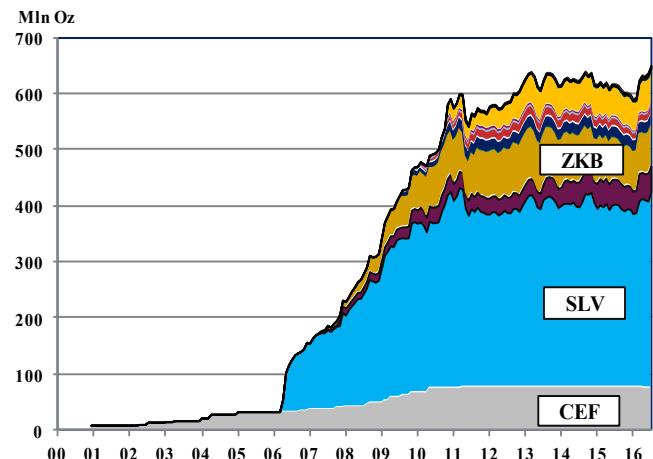


Silver ETPs

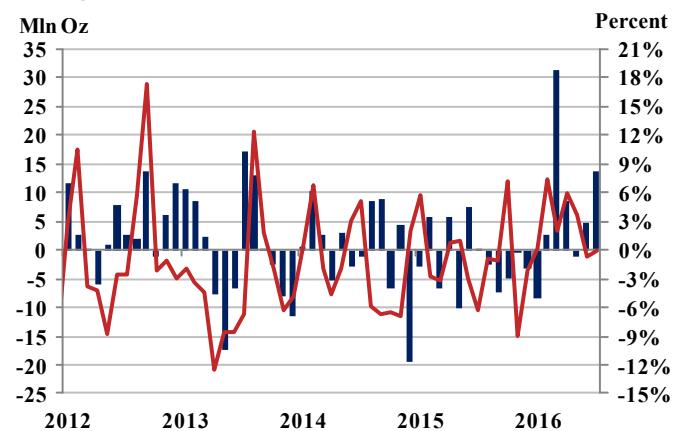
Investors Bought More Silver ETPs in July and Early August

On a net basis investors added 13.8 million ounces of silver into their ETP holdings over the course of July, and another 2.0 million ounces from 1 August to 10 August. As of 10 August, investors have added 52.8 million ounces of silver ETP holdings to their portfolios, compared to 19.3 million ounces of net sales last year. Thus far net additions to investor silver ETP holdings have exceeded the 51.6 million ounces of net gains recorded in 2012.

Silver ETP Holdings
Through July 2016



Monthly Changes in Silver ETP Holdings and Prices
Through July 2016



Silver ETP Holdings

Data as of 31 July 2016

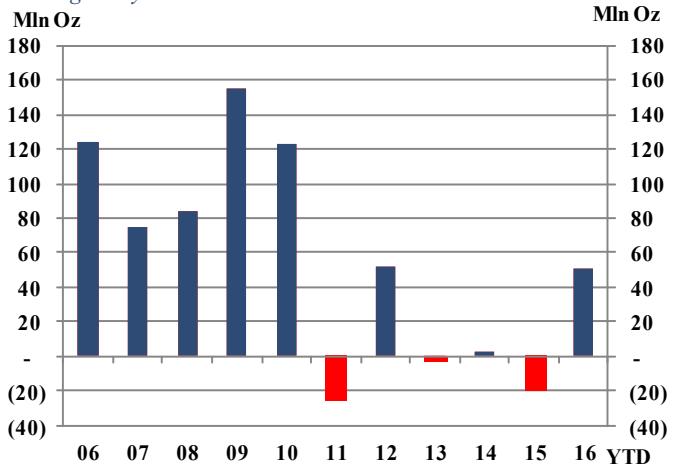
Changes from 30 June 2016

	Month-end Holdings	% Δ	Ounce Δ
CEF	75,644,102	-	-1
SLV iShares	349,720,704	4.8%	16,175,808
PHAG - ETFS	46,655,388	-7.3%	-3,694,903
ZKB Silver	71,621,957	0.4%	266,916
Silver MSL	2,224,945	-0.05%	-1,031
SIVR - ETFS	18,705,600	1.0%	191,082
Julius Baer Silver	13,770,990	1.4%	193,000
GLTR - ETFS	3,826,145	14.2%	476,970
PSLV	53,899,013	-	0
SVR	2,024,637	10.9%	199,698
SBT	2,601,816	-7.5%	-210,946
SSLN -iShares	3,783,247	4.00%	145,426
SSLV	3,661,655	0.7%	25,480
Silver Mitsubishi	2,655,652	-	0
HK - ETFS	785,330	0.0%	0
Total	651,581,180	8.2%	50,847,052
<i>YTD Net additions to Total ETF Holdings*</i>			

Percentage change is from end of previous year.

Annual Changes to Silver ETP Holdings

Through July 2016

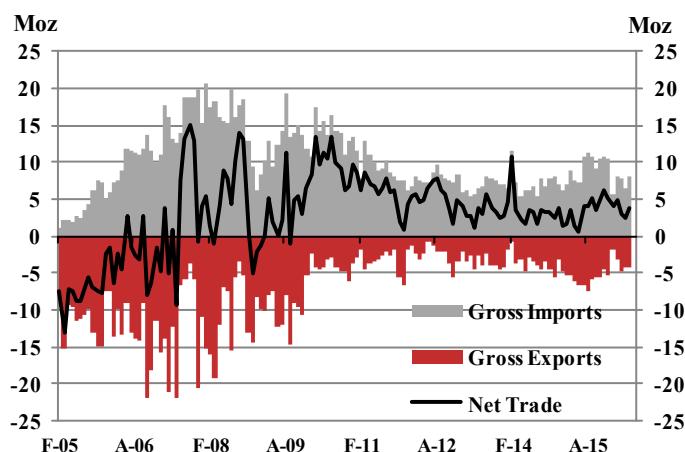




Emerging Market Demand

Chinese Silver Imports and Exports

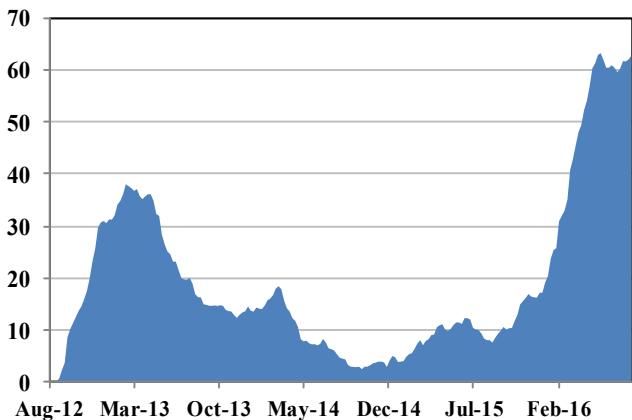
Monthly, Through June 2016



SHFE Silver Stocks

Weekly, Through 4 August 2016

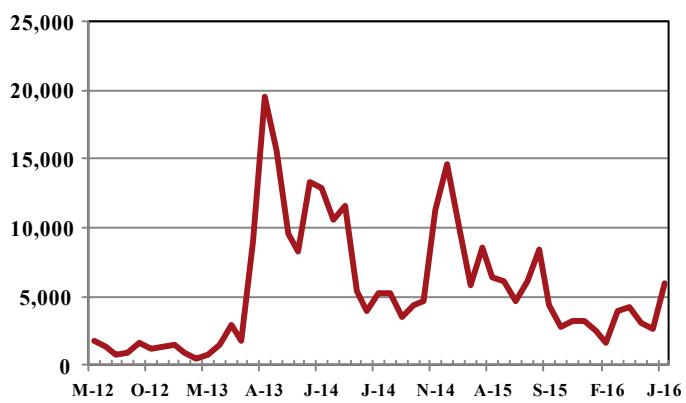
Mln Oz



SHFE Silver Trading Volume

Monthly, Through 31 July 2016

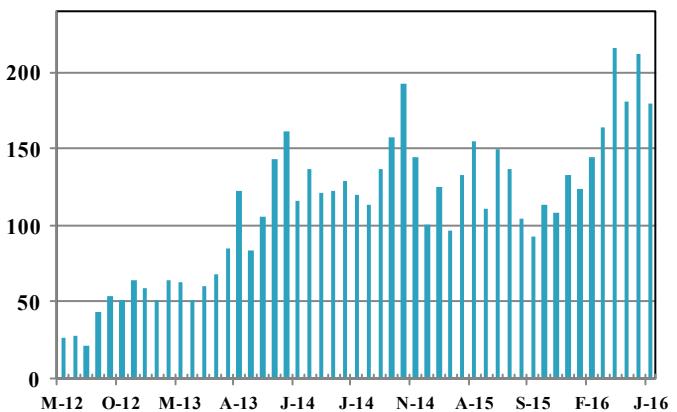
Million Oz



SHFE Silver Open Interest

Monthly, Through 31 July 2016

Million Oz



Comex Silver Deliveries & Monthly Changes in Reported Inventories

Thousand Troy Ounces

Year	Month	Deliveries	Month-End Inventories			Net Monthly Change in Inventories		
			Registered	Eligible	Total	Registered	Eligible	Total
2012	January	6,215	36,538	92,445	128,983	2,037	9,647	11,684
	February	4,940	36,215	94,224	130,439	-323	1,779	1,456
	March	8,570	34,636	103,962	138,597	-1,579	9,737	8,158
	April	2,035	35,050	107,075	142,125	415	3,113	3,528
	May	12,220	35,735	107,415	143,150	685	340	1,025
	June	665	37,096	109,437	146,533	1,361	2,022	3,383
	July	9,940	38,638	99,959	138,597	1,542	-9,478	-7,936
	August	1,990	39,258	101,692	140,951	620	1,734	2,354
	September	9,280	41,426	101,122	142,549	2,168	-570	1,598
	October	2,590	36,162	106,305	142,467	-5,265	5,183	-82
	November	360	38,835	103,333	142,168	2,673	-2,972	-299
	December	19,610	40,300	107,906	148,205	1,465	4,573	6,037
2013	January	3,620	37,180	119,948	157,128	-3,120	12,042	8,923
	February	2,270	40,629	122,796	163,425	3,449	2,848	6,297
	March	12,630	43,003	121,160	164,163	2,373	-1,635	738
	April	3,770	45,935	120,505	166,440	2,932	-655	2,277
	May	17,080	42,036	122,479	164,515	-3,899	1,974	-1,925
	June	935	42,874	123,243	166,117	839	764	1,603
	July	17,220	42,519	122,162	164,681	-355	-1,082	-1,436
	August	1,160	42,668	121,103	163,771	149	-1,059	-909
	September	14,555	42,413	122,785	165,198	-255	1,682	1,426
	October	1,910	44,262	125,264	169,526	1,849	2,479	4,328
	November	6,690	45,859	124,126	169,985	1,597	-1,138	459
	December	16,535	50,764	123,163	173,927	4,905	-963	3,942
2014	January	8,360	50,233	129,176	179,409	-35	6,013	5,482
	February	2,970	50,915	131,916	182,831	186	2,740	3,422
	March	10,565	53,428	126,363	179,791	2,513	-5,553	-3,040
	April	3,590	54,835	119,649	174,483	1,407	-6,714	-5,307
	May	18,500	56,080	118,648	174,728	1,245	-1,001	244
	June	890	58,221	117,297	175,517	2,141	-1,352	790
	July	15,735	60,335	116,307	176,642	2,115	-990	1,125
	August	1,575	63,130	116,162	179,292	2,794	-145	2,650
	September	3,870	65,595	116,599	182,194	2,465	438	2,903
	October	17,870	66,186	114,320	180,505	591	-2,280	-1,689
	November	930	65,197	111,811	177,008	-988	-2,509	-3,497
2015	December	14,875	64,605	110,932	175,537	-593	-878	-1,471
	January	2,265	67,727	110,392	178,118	3,122	-541	2,582
	February	2,175	68,812	108,083	176,895	1,085	-2,308	-1,223
	March	12,915	70,569	106,081	176,650	1,758	-2,003	-245
	April	3,080	62,177	112,204	174,381	-8,393	6,123	-2,269
	May	14,200	58,424	120,862	179,287	-3,752	8,658	4,906
	June	1,490	59,689	122,695	182,384	1,265	1,833	3,097
	July	18,185	56,595	119,076	175,671	-3,095	-3,619	-6,713
	August	1,900	53,627	116,935	170,562	-2,967	-2,141	-5,109
	September	7,775	44,536	120,473	165,009	-9,091	3,538	-5,553
	October	535	43,134	118,957	162,091	-1,402	-1,515	-2,918
2016	November	405	43,647	115,307	158,954	513	-3,651	-3,138
	December	19,695	40,301	120,370	160,671	-3,346	5,063	1,717
	January	610,000	28,530	129,735	158,266	-11,771	9,365	-2,405
	February	835,000	24,796	129,465	154,261	-3,735	-270	-4,005
	March	6,780,000	32,323	122,676	154,999	7,527	-6,789	738
	April	965,000	31,957	119,822	151,780	-366	-2,854	-3,219
2017	May	13,580,000	29,690	124,208	153,898	-2,267	4,386	2,118
	June	3,080,000	23,572	127,909	151,481	-6,118	3,701	-2,416
2018	July	12,370,000	26,830	127,260	154,090	3,258	-650	2,608

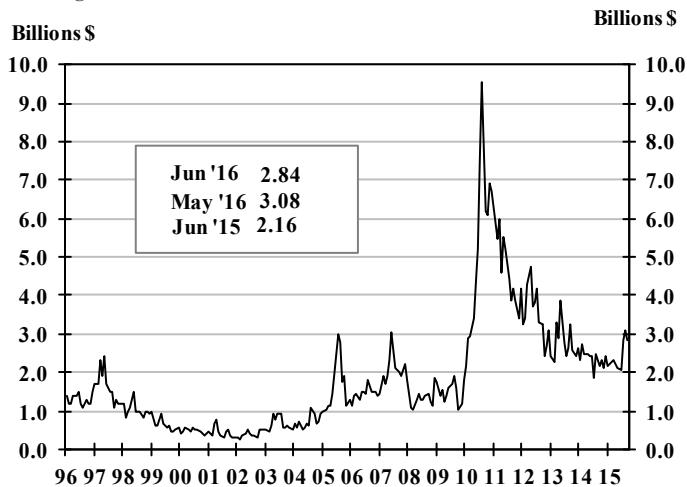
Note: Deliveries are notices issued by short market participants to the exchange clearinghouse. The clearinghouse then assigns these deliveries to long market participants, who take delivery of the metal. Most of these ownership transfers result in metal staying in inventories in the same depositories. Since May 1988, there was a -.16 correlation between monthly changes in total inventories and monthly delivery notices and a -.20 correlation between monthly changes in registered inventories and monthly delivery notices.

Source: CME Group, CPM Group

London Interbank Market—Monthly Data of Daily Averages

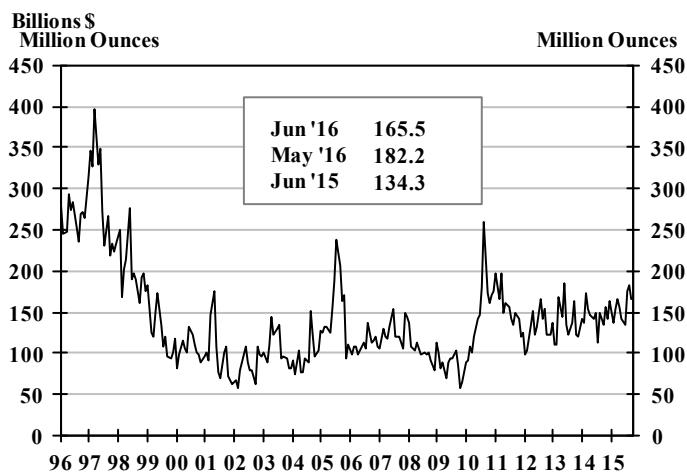
Value of Silver Transferred

Through June 2016



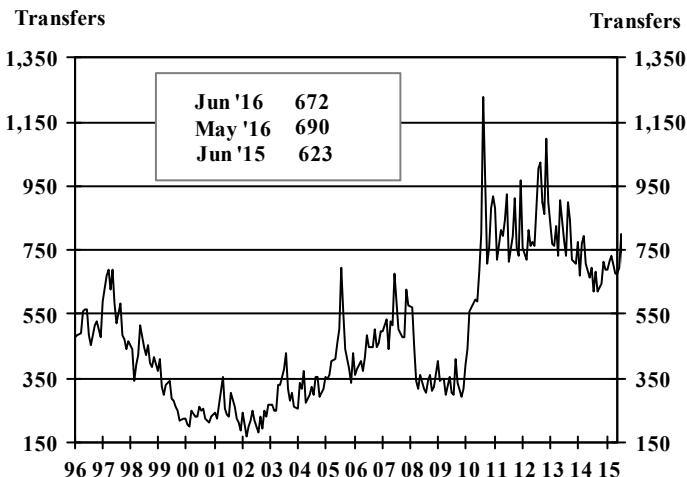
Ounces of Silver Transferred

Through June 2016



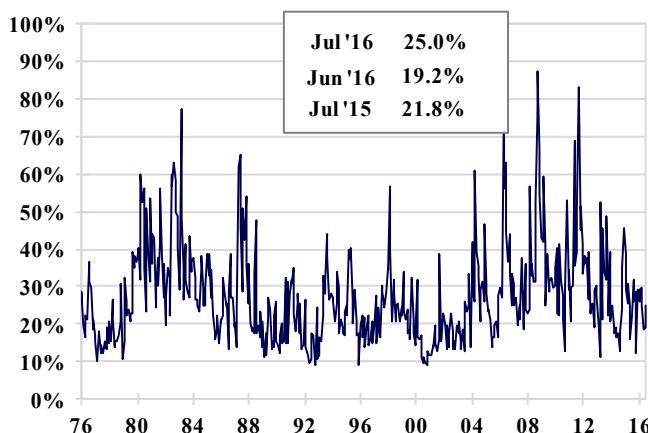
Number of Transfers

Through June 2016

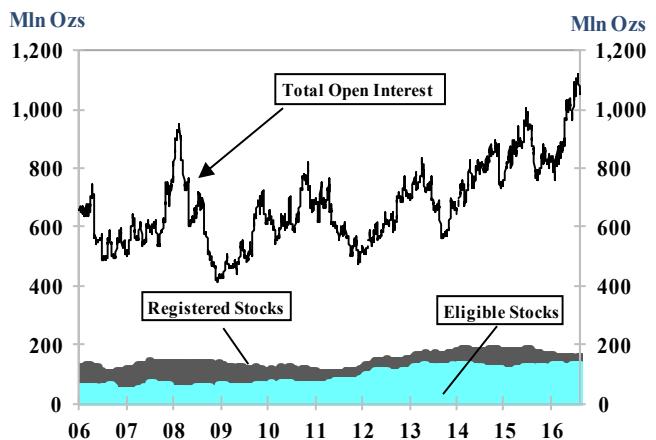


**Silver Price Volatility**

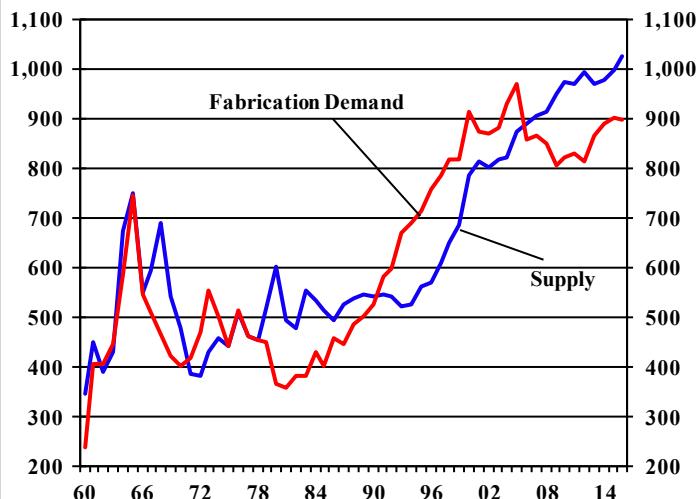
Monthly, Through Jul. 2016

**Comex Silver Inventories & Total Open Interest**

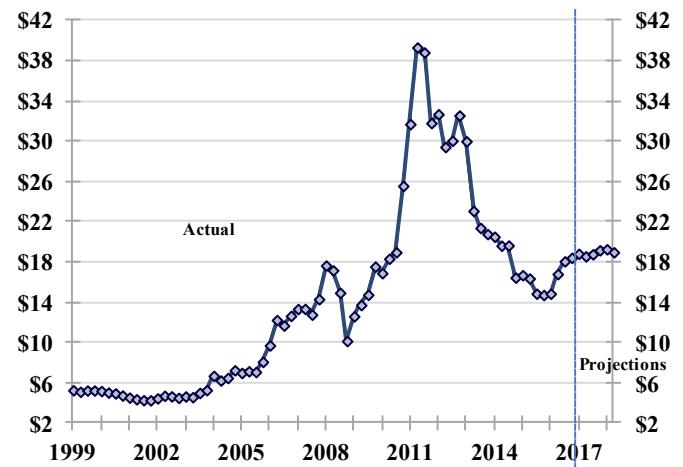
Daily, OI Through 10 Aug. 2016 Stocks Through 11 Aug. 2016

**Silver Prices and Open Interest**

Daily, Prices Through 11 Aug. 2016 OI Through 10 Aug. 2016

**World Silver Supply and Demand****Silver Quarterly Average Price Projections**

\$/Ounce, through Q2 2018



Silver Statistical Position

Million Ounces

Supply	2008	2009	2010	2011	2012	2013	2014	2015	2016p
Mine Production									
Mexico	104.1	114.3	128.6	133.4	147.9	157.5	164.1	166.4	160.2
China	96.3	107.9	112.5	119.0	125.4	131.8	134.4	139.1	143.3
Peru	118.5	126.1	117.0	109.8	111.9	118.1	121.4	122.4	124.4
Australia	61.9	52.5	60.4	55.6	57.9	59.2	59.4	56.7	53.1
United States	40.2	39.9	40.8	37.3	33.8	33.8	37.3	36.6	37.2
Canada	24.3	20.3	19.2	18.4	22.7	19.9	15.9	15.4	15.5
Other	194.2	213.9	210.0	205.4	199.5	217.5	262.3	267.7	251.1
Total	639.5	674.9	688.7	678.8	699.0	737.7	794.8	804.2	784.8
% Change Year Ago	1.6%	5.5%	2.0%	-1.4%	3.0%	5.5%	7.7%	1.2%	-2.4%
Secondary Supply									
Old Scrap	251.5	249.9	262.8	270.8	273.8	221.0	205.5	195.4	193.4
Coin Melt	4.0	4.0	2.0	1.5	1.0	1.0	1.5	1.5	1.5
Other Supply	3.0	1.0	5.8	4.4	1.0				
Indian Scrap	17.5	21.7	14.5	4.8	8.0	8.0	8.0	8.1	8.1
Total	276.0	276.6	285.1	281.5	283.8	230.0	215.0	205.0	203.0
% Change Year Ago	-0.1%	0.2%	3.1%	-1.2%	0.8%	-19.0%	-6.5%	-4.7%	-1.0%
Other Supply									
Government Disposals	0	0	3.8	2.4	0	0	0	0	0
Net Exports from									
Transitional Economies	3	1	2	2	1	0	0	0	0
Total	3	1	5.8	4.4	1.0	0	0	0	0
% Change Year Ago	-76.9%	-66.7%	480.0%	-23.5%	-77.5%	-100.0%	N/M	N/M	N/M
Total Supply	915.5	951.5	973.7	960.3	982.8	967.7	1,009.8	1,009.2	987.8
% Change Year Ago	1.1%	3.9%	2.3%	-1.4%	2.3%	-1.5%	4.4%	-0.1%	-2.1%
Fabrication Demand									
Photography	133.5	119.4	106.9	98.0	89.7	82.0	77.4	72.5	68.1
Jewelry & Silverware	230.6	230.4	234.8	232.5	238.8	266.7	279.4	297.4	301.9
Electronics and Batteries	201.7	205.9	214.6	213.0	216.7	218.4	223.7	223.8	224.7
Solar Panels	19.2	22.9	37.9	57.2	41.2	47.6	50.4	62.2	73.9
Other Uses	253.2	215.9	218.0	212.1	209.1	212.7	213.8	214.5	216.7
Other Countries	9.7	7.5	8.5	8.0	9.0	9.5	9.7	5.0	4.3
Total Fabrication Demand	848.0	802.0	820.7	820.8	804.4	836.8	854.4	875.3	889.7
% Change Year Ago	-1.3%	-5.4%	2.3%	0.0%	-2.0%	4.0%	2.1%	2.4%	1.6%
Net Surplus or Deficit	67.5	149.5	153.0	139.5	178.4	130.9	155.4	133.9	98.1
Addenda									
Coinage	64.0	77.7	96.3	126.9	105.9	140.3	140.0	145.74	142.8
Price Per Ounce									
High	\$20.79	\$19.33	\$30.94	\$48.58	\$37.14	\$32.44	\$22.05	\$18.36	\$20.70
Low	8.79	10.44	14.83	26.81	26.25	18.53	15.41	13.70	13.75
Average	14.97	14.67	20.31	35.29	31.17	23.74	19.09	15.67	16.68
% Change Year Ago	11.3%	-2.0%	38.4%	73.8%	-11.7%	-23.8%	-19.6%	-17.9%	0.5%

*Million Ounces; Notes: Totals may not equal the sum of categories due to rounding. Mine production in Poland, Bulgaria, Romania, Hungary, the Czech Republic, and Slovakia is included in "other" mine production; Photography, jewelry and silverware, electronics, solar panels, and 'other' industrial use reflects demand in Europe, the United States, and Japan.; These sectors include Canada from 1979, Mexico from 1982, Hong Kong from 1985, Thailand from 1986, India from 1987, Australia, Brazil, Peru, Colombia, Argentina, Chile, Korea, Pakistan, and Bangladesh from 1989, China from 2000, and Taiwan from 1990; Demand excludes the transitional economies, except for imports.; The price is the Comex nearby active settlement, percent change from year earlier period. There may be discrepancies due to rounding; p - projections; NM - Not meaningful; Source: CPM Group.

Platinum Outlook

Platinum prices recorded some strength between the end of June and early July. After plateauing for the second and third weeks of July, prices resumed their upward momentum, spiking sharply for one day to reach \$1,199.45 on an intraday basis on 10 August, a price level last seen in February 2015. Market participants were quick to sell platinum from this higher price level, however, as prices dipped to settle at \$1,156.70 on the day of this report.

The price trend of platinum – alongside palladium – clearly has set itself apart from those of gold and silver. While some of the positive momentum had been derived from renewed investor interest in precious metals since the Brexit announcement toward the end of June, much of price upward momentum was driven by investors buying Nymex platinum, which saw a 48.8% jump in net

longs during July as a result of money manager long building and short liquidations.

One thing is certain – this rally in platinum prices in July was by no means the result of fervent short-term buying by jewelry and auto catalyst end users or due to any tightness in the spot metal supplies. As of the time of this report spot premiums for platinum sponge have remained soft, little changed from the levels last seen at the beginning of July, helped by increased offerings of refined platinum made available by major miners such as Amplats. Sales volumes of platinum on the Shanghai Gold Exchange continued their slide in July, following a sharp decline in June, indicating slower end use orders from auto and jewelry fabricators in China.

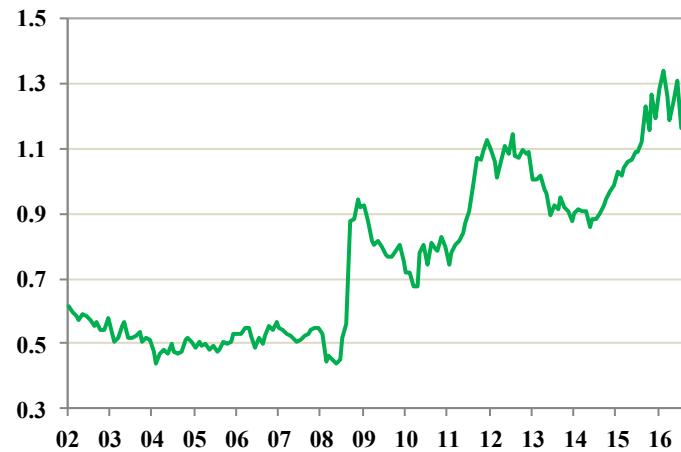
Platinum Prices

Platinum Prices: 1 January 2010 to 11 August 2016



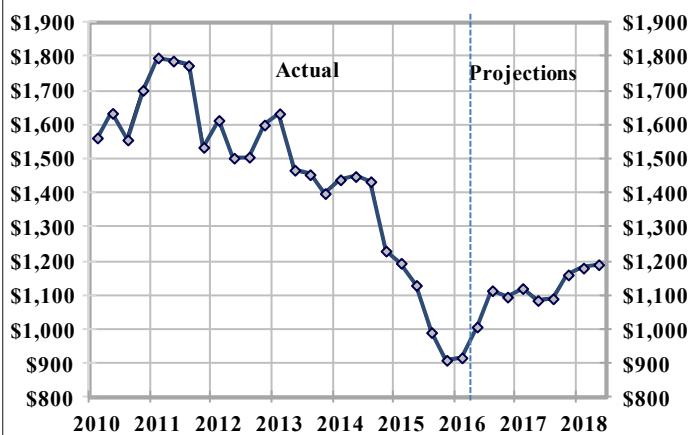
The Gold/Platinum Price Ratio

Monthly, Through July 2016



Platinum Quarterly Average Price Projections to Q2 2018

\$ / Ounce



Year	Quarter	Quarterly Avg	Change	Annual AVG	Change
2016	III	\$1,114	10.6%	\$1,033	-2.2%
	IV	\$1,095	-1.7%		
2017	I	\$1,120	2.3%	\$1,114	7.8%
	II	\$1,085	-3.1%		
2018	III	\$1,090	0.5%	\$1,180	1.7%
	IV	\$1,160	6.4%		
2018	I	\$1,180	1.7%	\$1,190	0.8%
	II	\$1,190	0.8%		

Market sentiment toward platinum may shift later in August, unless investors have more compelling reasons for following platinum prices higher other than tactically repositioning themselves in this market. There still are many stale-bull investors who are not quite ready to embrace platinum due to concerns about its supply and demand fundamentals, the liquidity of market transactions, as well as the complications in the process of dealing with physical platinum metal. In the case of a short term selloff, prices may fall back to \$1,100 or \$1,050. Ruling out the possibility for supply-side surprises, still stronger investment demand for platinum is called for before prices could see more upward momentum toward \$1,240.

Over the longer term investor demand for platinum may be enhanced with the greater availability and variety of investment products, most notably the re-introduced American Eagle platinum coins by the U.S. Mint. There are also a number of marketing initiatives being undertaken by the World Platinum Investment Council, which partners with a number of institutions – most recently with Valcambi and BullionVault, the latter of which operates an online investor platform for buying, selling, and storing physical precious metals – to promote platinum to global investors. While some of these initiatives would take time before fruition, they could help longer term investors with their decisions to reposition themselves in platinum.

Platinum Mining Sector

Anglo American Platinum (Amplats), the world's largest platinum miner, sharply increased its refined platinum output and sales during the second quarter of this year,

following temporary safety closures of its refinery during the first quarter. Refined platinum production rose sharply to 748,000 ounces in the second quarter from 261,000 ounces in the first quarter of this year and from 561,000 ounces during the same period last year. Equivalent Platinum sales volume also rose sharply, reaching 808,000 ounces in the second quarter from 413,000 ounces in the first quarter and from 636,000 ounces in the same period last year. During the first half of this year refined platinum sales volumes totaled 1.2 million ounces, up 5% year-on-year. The company had supplemented its sales by drawing down its refined metal inventory. It maintains its previous production guidance for this year and expects its platinum output to reach the upper bound of its 2.3 - 2.4 million ounces of its guidance.

The company has delayed investment decisions on major projects for two years, until the end of 2017 and into 2018, and expects demand for its metal to improve in these two years. Amplats has taken 350,000 ounces of loss-making platinum mining capacity out of production since 2013, and continued to move aggressively forward with its cost-cutting measures during the first half of this year. The company's cash operating costs increased by 5% during this period, below the level of mining inflation, and unit costs per platinum ounce increased by 1.8%.

Lomin's refined platinum output in the second quarter was down 28% year-on-year at 173,512 ounces, in line with the company's planned reductions at its unprofitable production capacity. This year-on-year decline was also on the back of unusually elevated production levels registered in the corresponding period a year ago, when there

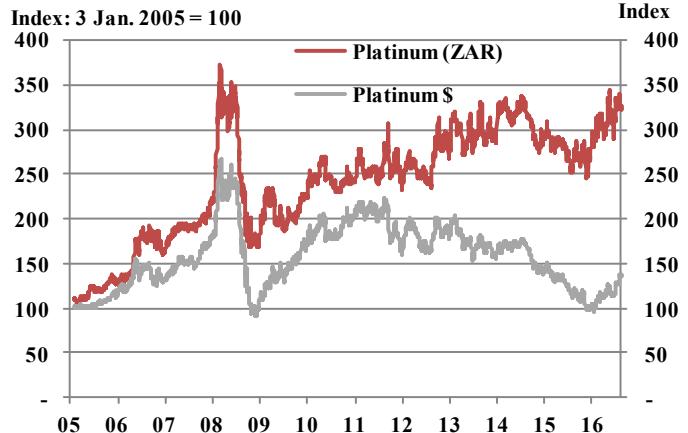
Exchange Rate: South African Rand/ U.S. Dollar

Daily Data Through 11 August 2016



Platinum Priced in South African Rand and in U.S. Dollar

Daily Data Through 11 August 2016



was a release of built-up stocks following its smelter outages. Its platinum sales for the second quarter this year were reported at 162,725 ounces, nearly 30% lower compared to a year ago. Lonmin maintained its full-year sales outlook of 700,000 ounces of platinum for the current fiscal year ended this September.

Newly Released Platinum Coins Got off to Strong Start in July

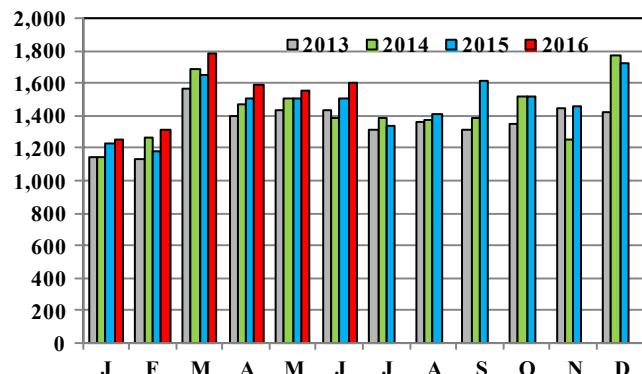
In July the U.S. Mint re-introduced American Eagle platinum coins, having started to take orders from accredited distributors on 25 July. For the month the Mint was able to sell 19,000 ounces of platinum coins. The last time the Mint issued platinum coins was in 2014, during which it sold a total of 16,900 ounces of platinum coins for the year. For the 2016 platinum coin program the U.S. Mint had not indicated its expectations for the sales volume of this product. It announced that the platinum coins will be allocated to its distributors and supplies will be available for as long as the inventories last.

Commercial Vehicle Sales

Cumulative sales of commercial vehicles at major markets including China, the United States, Europe, Japan, India and Brazil rose 6.3% year-on-year during the first half of this year. Notably, sales of commercial vehicles resumed positive growth in China for the first half of this year, having grown by 1.6% from the same period last year. Growth was also strong in the U.S. (+8.8%), Europe (+13.1%), and India (+11.6%). Japan and Brazil meanwhile continued to record contractions of commercial vehicle sales, with sales declining at -2.4% and -27.0%, respectively.

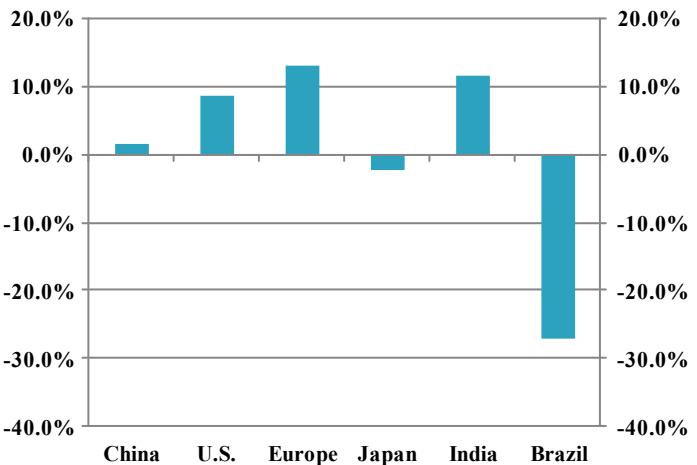
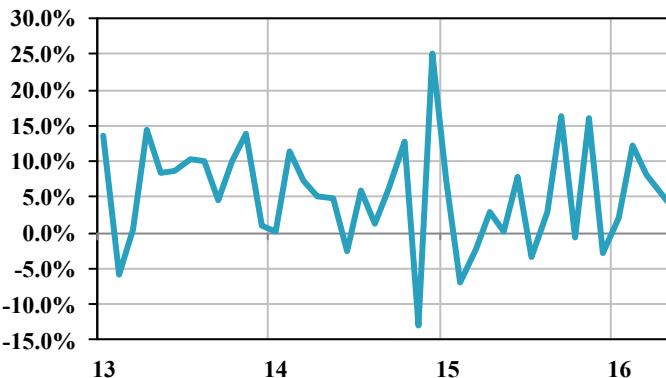
Monthly Commercial Vehicle Sales

Thous Units



Notes: Countries/regions included in this data series are China, US, Europe, Japan, India, and Brazil. These countries/regions account for 75% of global annual sales.

Sources: national auto associations, OICA, Bloomberg

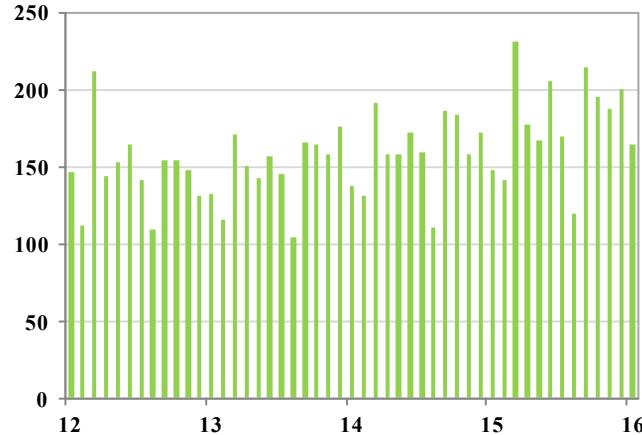
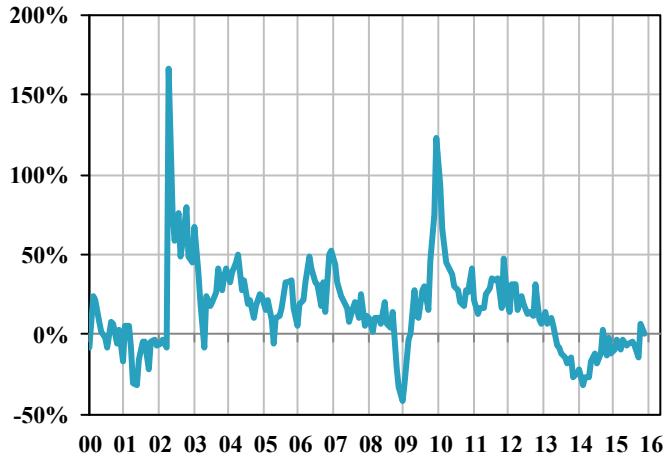
YTD Commercial Vehicle Sales Growth by Region*Data for June 2016***Commercial Vehicle Sales Growth***Monthly, YoY % Change, Through June 2016*

Notes: Countries/regions included in this data series are China, US, Europe, Japan, India, and Brazil. These countries/regions account for 75% of global annual sales.

Sources: national auto associations, OICA, Bloomberg

Monthly Commercial Vehicle Sales in Europe*Data Through June 2016*

Thous Units

**Indian Commercial Vehicle Sales***Monthly, YoY% Change, Through June 2016*

Chinese Platinum Market Activity

Platinum trading volume at the Shanghai Gold Exchange (SGE) dropped for the second consecutive month in July, down 23.0% month-on-month and down 47.0% from a year ago to 42,439 ounces.

Net platinum imports into China fell in June, as market participants had stocked up on platinum during the previous month and end use orders slowed seasonally during the month. For the month the amount of net imports stood at 146,194 ounces, down from 209,198 ounces in May. This also represents a 38.8% decrease from the same month a year ago, during which Chinese imports had been bargain buying platinum.

Shanghai Gold Exchange Platinum Trading Activity

Troy Ounces

Trading Volume

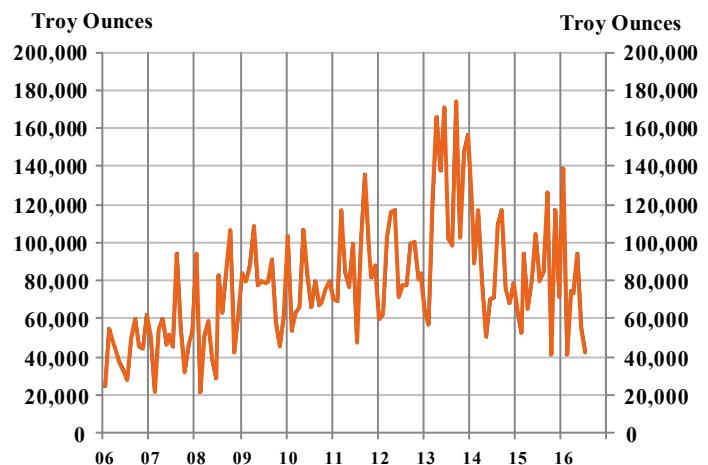
	2008	2009	2010	2011	2012	2013	2014	2015	2016
January	94,041	83,881	103,365	70,474	59,865	64,334	119,151	63,594	139,052
February	21,219	79,219	53,209	69,124	62,501	56,907	89,090	52,631	41,185
March	50,927	88,157	63,498	116,546	102,915	121,948	116,868	94,587	74,750
April	58,675	108,637	65,813	84,524	116,482	166,123	79,027	65,491	73,207
May	38,517	77,323	106,933	76,680	117,189	137,412	50,477	79,766	94,234
June	28,646	79,766	82,756	99,635	71,600	170,495	70,185	104,361	55,139
July	83,238	78,769	66,166	47,680	77,998	102,143	71,117	80,055	42,439
August	63,433	79,316	80,184	99,957	77,515	98,574	109,377	84,846	-
September	86,260	91,533	66,777	136,126	99,699	173,614	117,415	126,160	-
October	106,644	57,968	68,449	97,513	100,021	102,625	75,651	41,024	-
November	42,793	45,590	75,683	81,502	80,763	147,636	68,031	117,350	-
December	62,405	61,794	79,927	88,125	83,946	156,478	78,962	71,632	-
Total	736,799	931,954	912,760	1,067,887	1,050,493	1,498,289	1,045,349	981,498	520,006
% Change	20.5%	26.5%	-2.1%	17.0%	-1.6%	42.6%	-30.2%	-6.1%	12.9%

Source: SGE, Bloomberg

Note: Trading volumes are counted single-sided, adjusted from SGE reported data, which counts both buy and sell side transactions. The total and % change in 2016 is on a YTD basis.

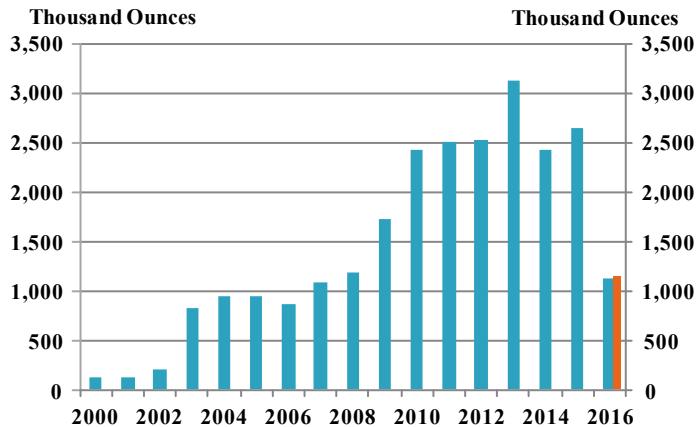
Shanghai Gold Exchange Monthly Platinum Trading Volume

Data Through July 2016



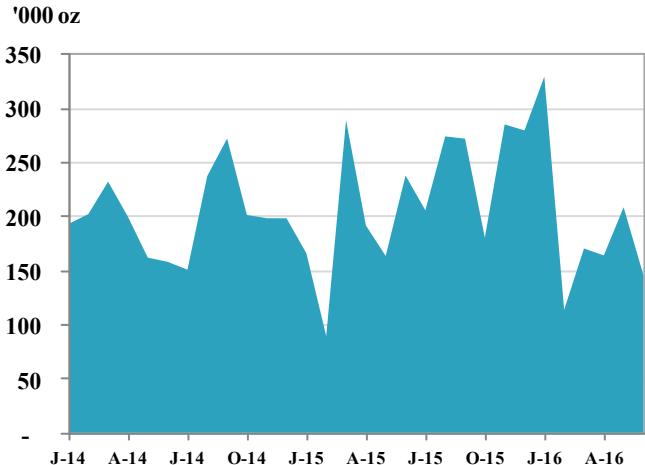
Chinese Net Imports of Platinum

Annual, Through June 2016



Chinese Net Imports of Platinum

Monthly Volume, Through June 2016



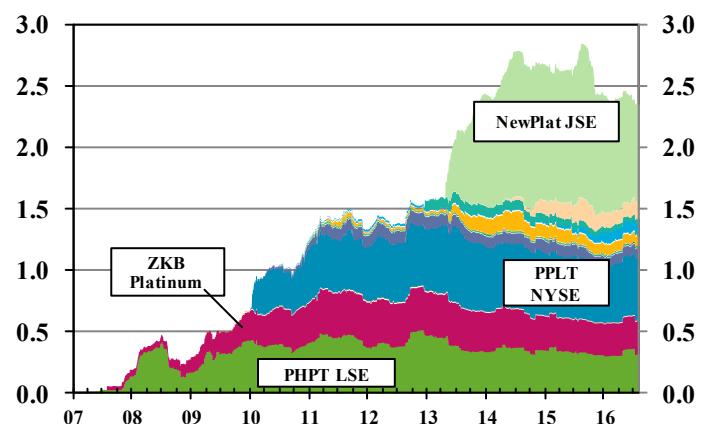
Investor Platinum ETF holdings Declines in July

In July investors continued to liquidate their platinum ETP holdings, having sold 38,747 ounces of platinum holdings on a net basis during the month. This compares to 47,105 ounces of net sales in June. On a year-to-date basis, investors have sold 74,258 ounces of platinum on a net basis. This sell-off of platinum ETPs, while at a smaller volume when compared to 250,770 ounces of net sales during 2015, was a contrast against other precious metals ETPs such as gold and silver, which have been registering elevated amount of investment inflows during the first seven months of this year.

Platinum Exchange Traded Product Holdings

Daily, through 10 August 2016

Moz

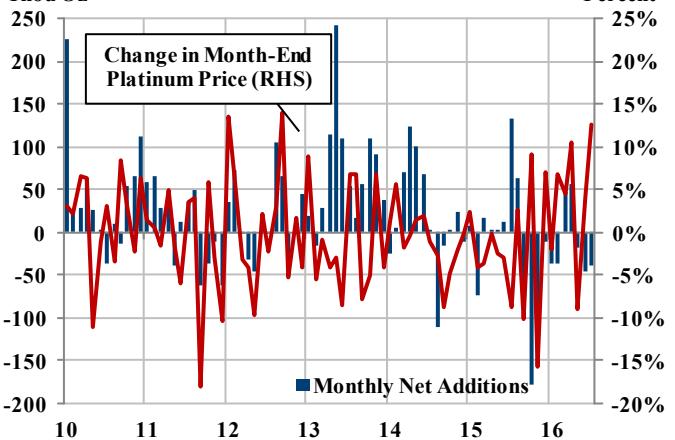


Monthly Changes in Platinum ETP Holdings and Prices

Through July 2016

Thou Oz

Percent

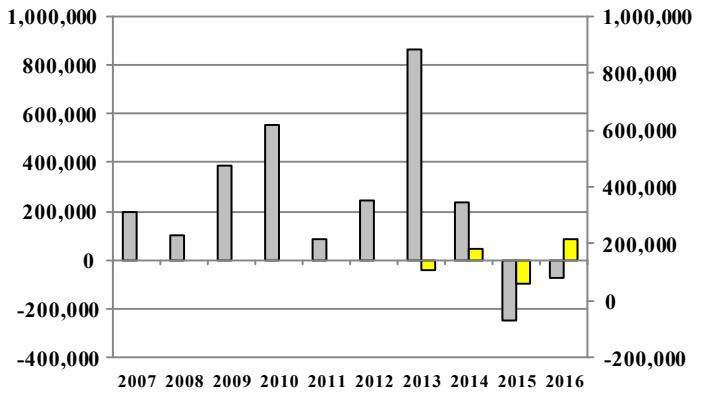


Annual Changes to Platinum ETP Holdings

Annual, Through 10 August 2016

Troy Ounces

Troy Ounces



Note: Yellow Bar represents year-to-date change in ETP holdings excluding the NewPlat ETP.

Platinum Exchange Traded Products

Data as of 31 July 2016

Change from 30 June 2016

	Month-end Holdings	% Δ	Ounce Δ
PPLT ETF Securities	500,013	↓ 0.0%	-129
Platinum ZKB	270,214	↑ 0.5%	1,437
Platinum Julius Baer	84,545	↑ 5.1%	4,100
PHPT ETFS	318,938	↓ -12.8%	-46,655
SPPP	42,077	— 0.0%	0
Japan Mitsubishi	97,224	— 0.0%	0
SPPT Source	78,292	— 0.0%	0
GLTR - ETFS	13,910	↑ 14.5%	1,756
Platinum MSL	2,856	— 0.0%	0
SPLT iShares	9,390	↓ 0.0%	-3
HK ETFS	1,890	— 0.0%	0
NewPlat JSE	794,541	↓ 0.0%	-253
AfricaPlatinum	138,000	↑ 0.7%	1,000
Total	2,351,888	↓ -1.6%	-38,747
YTD Net Additions to Total ETF Holdings*	2,351,888	↓ -2.8%	-74,258

Note: Percentage change is from end of previous year.

Nymex Platinum Markets

Nymex Platinum Futures & Options Market Participant Positions Thousand Troy Ounces

		Month Ago		Year Ago	
	2-Aug	Volume	%	Volume	%
<u>Large Non-Commercial Market Participants</u>					
Gross Longs	3,213.6	835.7	35.1%	436.4	15.7%
Money Managers	2,340.8	957.0	69.2%	560.8	31.5%
Other traders	872.8	-121.3	-12.2%	-124.5	-12.5%
Gross Shorts	-472.1	63.9	-11.9%	1378.5	-74.5%
Money Managers	-304.0	66.3	-17.9%	1156.9	-79.2%
Other traders	-168.1	-2.4	1.4%	221.6	-56.9%
Net Position	2,741.5	899.6	48.8%	1814.8	195.8%
Money Managers	2,036.8	1023.3	101.0%	1717.7	538.3%
Other traders	704.7	-123.7	-14.9%	97.2	16.0%
<u>Large Commercial Market Participants</u>					
Gross Longs	371.1	-69.5	-15.8%	-473.4	-56.1%
Gross Shorts	-3,392.1	-838.4	32.8%	-1525.7	81.7%
Net Position	-3,021.0	-907.9	43.0%	-1999.1	195.6%

Note: Negative numbers indicate short positions.

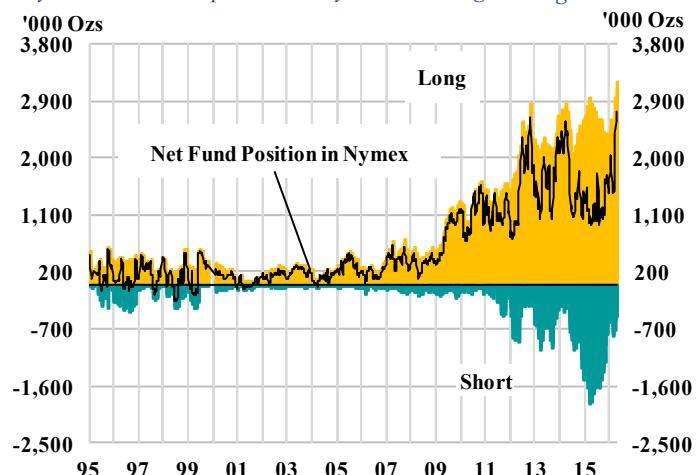
Source: CFTC

Money Managers Turns Bullish in Platinum in July

Over the course of July institutional investors sharply increased their net long exposures to platinum by building fresh longs and liquidating previously built shorts on the Nymex. As of 2 August non-commercial gross longs rose 35.1%, or 835,700 ounces from a month ago to 3.2 million ounces. During the same period investors had liquidated their gross shorts by 11.9%, or 63,900 ounces from a month earlier, to 472,100 ounces. This pulled up non-commercial net longs by 48.8% from a month earlier, to 2.74 million ounces on 2 August.

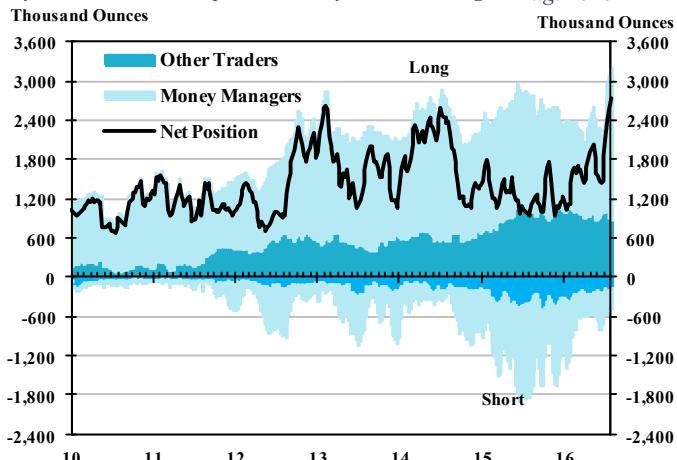
Non-Commercial Gross Long and Short Platinum Positions

Nymex Futures & Options. Weekly Data, Through 2 Aug. 2016



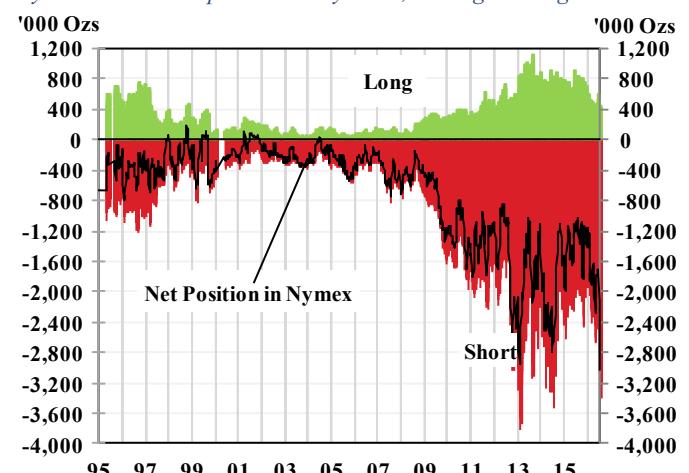
Disaggregated Nymex Non-Commercial Platinum Positions

Nymex Futures and Options. Weekly Data, Through 2 Aug. 2016



Nymex Platinum Commercial Positions

Nymex Futures & Options. Weekly Data, Through 2 Aug. 2016



Nymex Platinum Markets

Nymex Pt Deliveries & Monthly Changes in Reported Inventories

Troy Ounces

Year	Month	Deliveries	Month-End Inventories			Net Monthly Change in Inventories		
			Registered	Eligible	Total	Registered	Eligible	Total
2012	January	28,400	N/A	N/A	180,650	N/A	N/A	150
	February	0	N/A	N/A	176,700	N/A	N/A	-3,950
	March	0	N/A	N/A	198,100	N/A	N/A	21,400
	April	35,200	N/A	N/A	197,450	N/A	N/A	-650
	May	100	N/A	N/A	195,150	N/A	N/A	-2,500
	June	150	N/A	N/A	192,600	N/A	N/A	-2,350
	July	41,250	N/A	N/A	193,050	N/A	N/A	450
	August	300	N/A	N/A	191,300	N/A	N/A	-1,750
	September	100	N/A	N/A	210,850	N/A	N/A	19,550
	October	56,800	N/A	N/A	208,450	N/A	N/A	-2,400
	November	300	N/A	N/A	207,850	N/A	N/A	-600
	December	350	N/A	N/A	207,450	N/A	N/A	-400
2013	January	44,300	85,225	129,036	214,261	N/A	N/A	6,811
	February	0	71,300	141,711	213,011	-13,925	12,675	-1,250
	March	50	91,985	142,172	234,157	20,685	461	21,146
	April	38,850	90,844	143,012	233,856	-1,141	840	-301
	May	50	84,871	146,388	231,259	-5,973	3,376	-2,597
	June	2,400	84,672	145,888	230,559	-199	-500	-700
	July	31,600	84,248	146,459	230,707	-424	571	148
	August	50	69,079	159,591	228,671	-15,169	13,132	-2,036
	September	50	132,322	154,454	286,776	63,243	-5,137	58,105
	October	121,100	116,200	167,829	284,029	-16,122	13,375	-2,747
	November	300	75,191	176,077	251,268	-41,009	8,248	-32,761
	December	300	83,010	167,659	250,669	7,819	-8,418	-599
2014	January	51,300	91,747	153,723	245,469	8,737	-13,936	-5,200
	February	0	77,974	171,286	249,260	-13,773	17,563	3,791
	March	0	60,525	187,591	248,117	-17,449	16,305	-1,143
	April	33,700	49,914	196,789	246,703	-10,611	9,198	-1,414
	May	2,700	45,040	199,601	244,642	-4,874	2,812	-2,061
	June	4,500	55,424	188,017	243,441	10,384	-11,584	-1,201
	July	50,800	59,873	113,658	173,532	4,449	-74,359	-69,909
	August	1,950	36,630	107,855	144,485	-23,243	-5,803	-29,047
	September	50	39,332	107,159	146,491	2,702	-696	2,006
	October	46,700	30,162	109,335	139,497	-9,170	2,176	-6,994
	November	1,000	26,715	109,141	135,856	-3,447	-194	-3,641
	December	700	26,711	108,496	135,207	-4	-645	-649
2015	January	17,750	32,082	102,575	134,657	5,371	-5,921	-550
	February	5,950	29,856	103,751	133,606	-2,226	1,176	-1,051
	March	700	29,608	101,546	131,153	-248	-2,205	-2,453
	April	11,100	34,364	95,830	130,194	4,756	-5,716	-959
	May	250	34,165	94,529	128,694	-199	-1,301	-1,500
	June	200	36,111	92,333	128,444	1,946	-2,196	-250
	July	35,900	51,001	75,786	126,787	14,890	-16,547	-1,657
	August	0	34,808	90,780	125,588	-16,193	14,994	-1,199
	September	200	28,300	95,587	123,887	-6,508	4,807	-1,701
	October	35,700	38,865	117,923	156,788	10,565	22,336	32,901
	November	2,800	38,615	117,162	155,777	-250	-761	-1,011
	December	6,650	35,517	119,027	154,544	-3,098	1,865	-1,233
2016	January	500	68,410	123,076	191,486	32,893	4,049	36,942
	February	1,750	44,445	124,418	168,863	-23,965	1,342	-22,623
	March	800	65,411	126,708	192,119	20,966	2,290	23,256
	April	44,150	60,527	130,373	190,900	-4,884	3,665	-1,219
	May	2,000	60,125	129,244	189,369	-402	-1,129	-1,531
	June	2,450	55,325	131,739	187,063	-4,800	2,495	-2,306
	July	41,750	65,743	118,116	183,859	10,418	-13,623	-3,204

Note: Deliveries are notices issued by short market participants to

Most of these ownership transfers result in metal staying in inventories in the same depositories. Since January 2006, there was a -14 correlation between monthly changes in total inventories and monthly delivery notices. CME Group only began reporting registered and eligible inventories in January 2013.

Source: CME Group, CPM Group

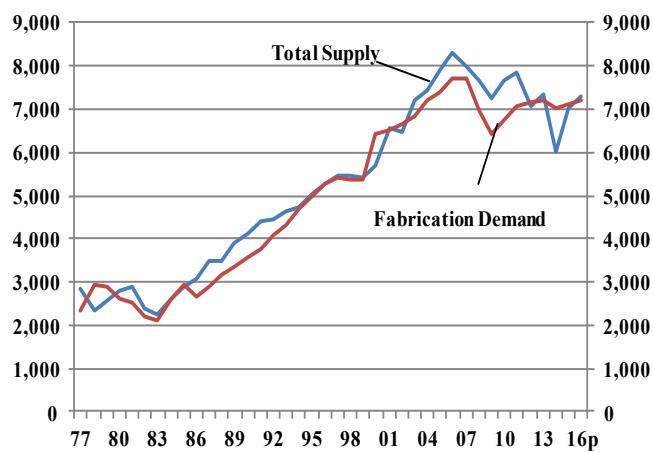
Platinum Statistical Position

Platinum Statistical Position									
Supply	2008	2009	2010	2011	2012	2013	2014	2015	2016p
Mine Production									
South Africa	4,778	4,537	4,670	4,680	4,164	4,472	3,151	4,507	4,566
Russia	800	804	837	857	773	757	786	739	693
Zimbabwe	181	229	283	342	342	406	403	406	449
Canada	235	144	96	247	215	222	300	265	272
United States	119	126	113	122	121	122	120	121	122
Other	188	174	164	163	166	147	151	127	128
Total	6,301	6,014	6,163	6,410	5,780	6,126	4,911	6,164	6,230
% Change Year Ago	-5.6%	-4.6%	2.5%	4.0%	-9.8%	6.0%	-19.8%	25.5%	1.1%
Secondary Supply									
	1,376	1,220	1,525	1,460	1,330	1,322	1,249	1,247	1,254
% Change Year Ago	4.6%	-11.3%	25.0%	-4.3%	-8.9%	-0.6%	-5.5%	-0.2%	0.6%
Total Supply	7,677	7,234	7,688	7,870	7,110	7,447	6,160	7,411	7,484
% Change Year Ago	-3.9%	-5.8%	6.3%	2.4%	-9.7%	4.7%	-17.3%	20.3%	1.0%
Fabrication Demand									
Auto	3,785	2,740	3,081	3,173	3,153	3,234	3,123	3,173	3,211
Jewelry	1,698	2,283	2,126	2,331	2,502	2,443	2,401	2,346	2,328
Other	1,502	1,394	1,545	1,556	1,522	1,542	1,482	1,491	1,483
Total Demand	6,985	6,417	6,751	7,060	7,177	7,219	7,007	7,010	7,021
% Change Year Ago	-9.6%	-8.1%	5.2%	4.6%	1.7%	0.6%	-2.9%	0.0%	0.2%
Net Surplus or Deficit	692	816	937	809	-68	229	-847	401	462
Changes in Market Inventories*	138	451	537	160	294	910	149		
Price Per Ounce									
High	\$2,276.10	\$1,506.30	\$1,809.60	\$1,905.70	\$1,725.10	\$1,736.50	\$1,517.00	\$1,286.60	\$1,183.10
Low	\$787.20	\$922.20	\$1,460.00	\$1,363.40	\$1,386.40	\$1,303.70	\$1,182.10	\$832.40	\$819.20
Average	1,579.31	1,214.50	1,614.22	1,722.39	1,554.30	1,486.59	1,389.01	1,053.83	993.67
% Change Year Ago	20.1%	-23.1%	32.9%	6.7%	-9.8%	-4.4%	-6.6%	-24.1%	-5.7%
									YTD

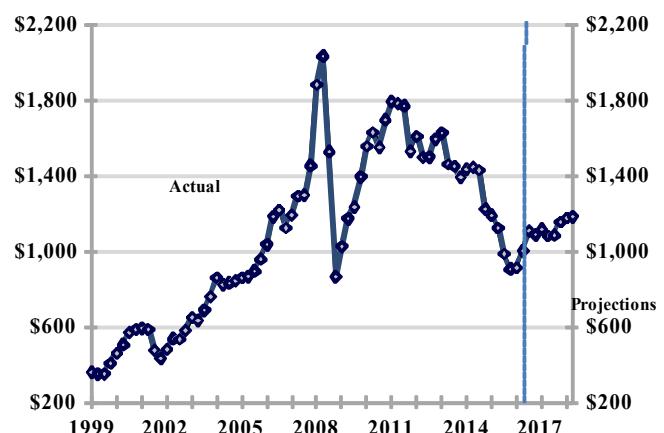
*Thousand Troy Ounces; Notes: Excludes transitional economies, except as noted. Secondary production statistics exclude toll-refined material; Prices are settlement prices for the nearby active contract on the New York Mercantile Exchange, 2014 through 5 June. Changes in market inventories are month-end. *Changes in 1997 market inventories exclude U.S. Industry stocks since the U.S. Bureau of Mines ceased publication of U.S. Industry stock level data in the third quarter of 1997; As of 2006, inventories includes changes in ETF holdings; There may be discrepancies due to rounding; NA -- not available; e -- estimates; p -- projections; Sources: U.S. Bureau of Mines, Statistics Canada, trade sources, CPM Group.

World Platinum Supply and Demand Balance

Thou. Ounces

**Platinum Quarterly Average Price Projections**

\$/Ounce, through Q2 2018





Palladium Outlook

Nymex palladium prices recorded a 19% month-on-month increase during July, extending a mini-rally that started in mid-June. Much of the increase in prices can be attributed to overall strength in the precious metals markets and an earlier oversold condition in the palladium market. Investors had liquidated long palladium positions and added to short positions, and now may be reversing their views on the market. The stronger-than-expected July U.S. jobs report pointed to underlying strength in the U.S. economy relative to other advanced economies, giving palladium market investors some confidence in improved fabrication demand prospects for the metal. Prices spiked further higher on the morning of 10 August, reportedly on a 60,000 ounce buy order in Asian markets. The improved sentiment

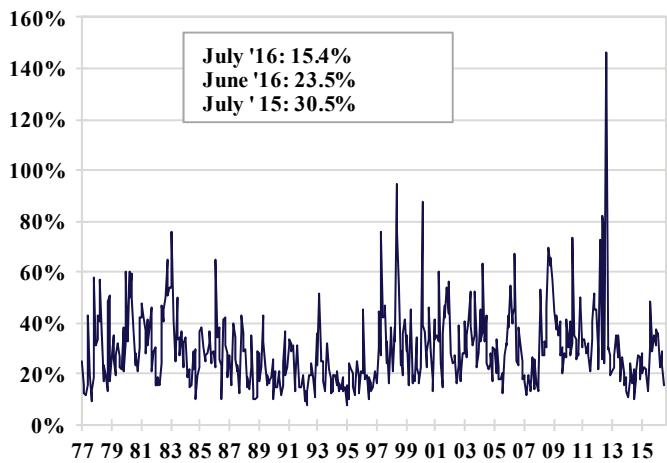
toward palladium helped push prices to an intraday high of \$747.50 on 10 August, the highest level since 10 June 2015, when the intraday high hit \$748.60.

Without any fresh catalysts expected in coming weeks, palladium investors could unwind some of the long positions they had built in the past two months. Gross long positions in palladium held by institutional investors had risen 59% as of 2 August from the end of May. During this period palladium prices rose by 31%. The level of their gross longs on 2 August – 2.25 million ounces -- also was at the highest level in nearly a year. These gross longs may look stretched at this time and are vulnerable to liquidation if there is no positive news to drive prices higher. In this scenario, palladium prices could slip to \$600-\$605.

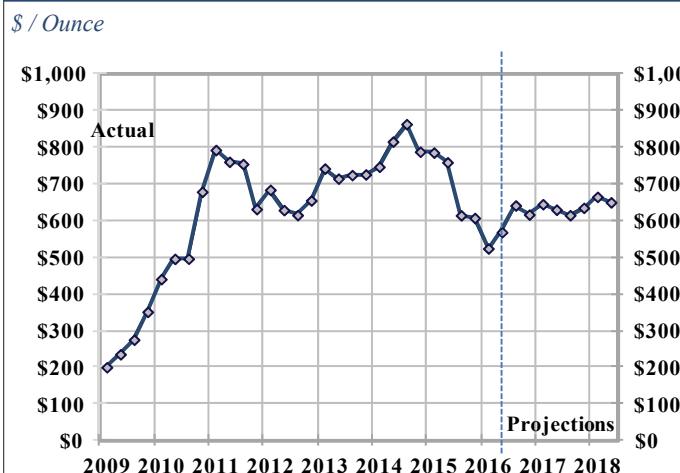
Palladium Prices



Palladium Prices Volatility
Monthly, Through July 2016



Palladium Quarterly Average Price Projections to Q2 2018



Year	Quarter	Quarterly AVG	Change	Annual AVG	Change
2016	III	\$641	12.8%	\$588	-15.0%
	IV	\$617	-3.9%		
2017	I	\$645	4.6%	\$631	7.4%
	II	\$630	-2.3%		
2018	III	\$615	-2.4%	\$631	7.4%
	IV	\$635	3.3%		
2018	I	\$665	4.7%	\$650	-2.3%
	II	\$650	-2.3%		



As we move into the fourth quarter potential strength in gold prices, possibly helped by concerns over a range of economic and political issues, could pull palladium prices higher. Moderate fabrication demand growth may limit any such increases, however. In the event of a sudden deterioration in investor sentiment, fresh short building and/or long liquidation by investors could push prices back toward \$560.

Fabrication Demand

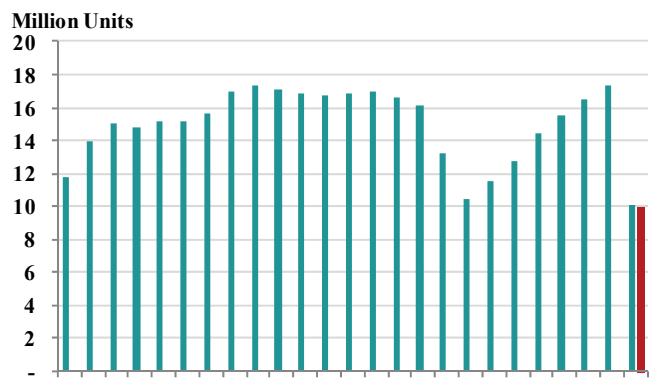
The pace of U.S. auto sales growth continued to slow down in July, growing by 0.7% on a year-on-year basis to 1.51 million units. During the January-July period, auto sales in the United States rose 1.2% year-on-year to 10.12 million units. This compares to a year-on-year increase of 5% during the same period in 2015.

Sales of light trucks proved that U.S. consumers still preferred pickup trucks and SUVs to sedans, a trend that has formed since 2014. The rate of sales growth for light trucks has slowed this year after the U.S. auto industry recorded all-time high sales numbers in last year. Light truck sales rose 8.7% year-on-year in July, slower than the 12% year-on-year increase in July 2015. In the first seven months of the year, sales of light trucks grew 8.8% year-on-year, compared to a 10% year-on-year increase.

In addition to slowing demand in the U.S. auto market, palladium demand also is being weighed down by weaker demand from the electronics sector. During the first half of this year global semiconductor sales fell 6.2% year-on-year to \$157.28 billion, according to the Semiconductor Industry Association. During the same period in 2015, global semiconductor sales rose 5.4% year-on-year to \$167.65 billion.

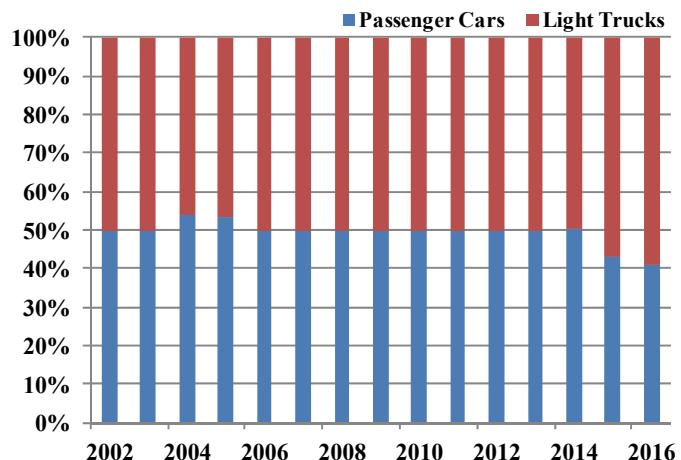
In June semiconductor sales worldwide fell 5.8% year-on-year to \$26.36 billion; this compares to a year-on-year increase of 2% to \$27.99 billion in June 2015.

U.S. Auto Sales



Source: Bloomberg. Note: 2016 data is through July. Red bar is sales in 2015 for same period in 2016.

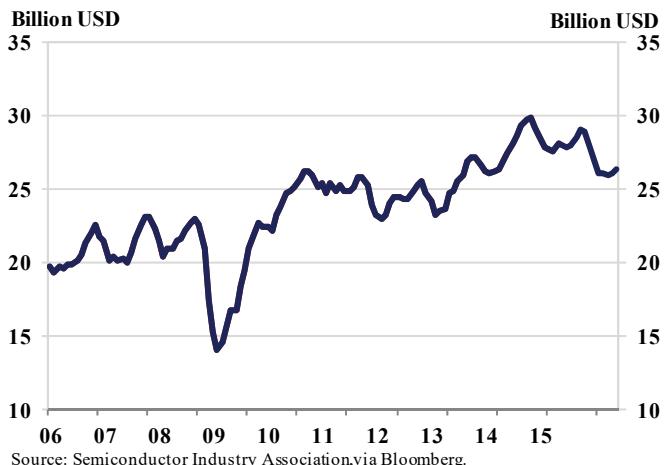
Ratio of US Cars to Light Truck Sales



Source: Bloomberg. Note: 2016 data is through July.

Monthly Global Semiconductor Sales

Data through June 2016

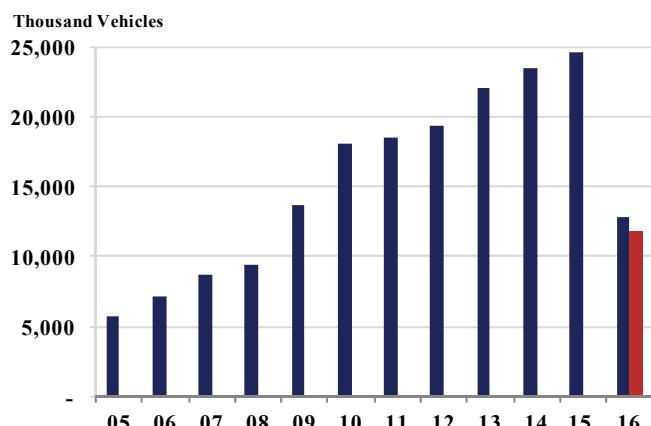


Source: Semiconductor Industry Association, via Bloomberg.



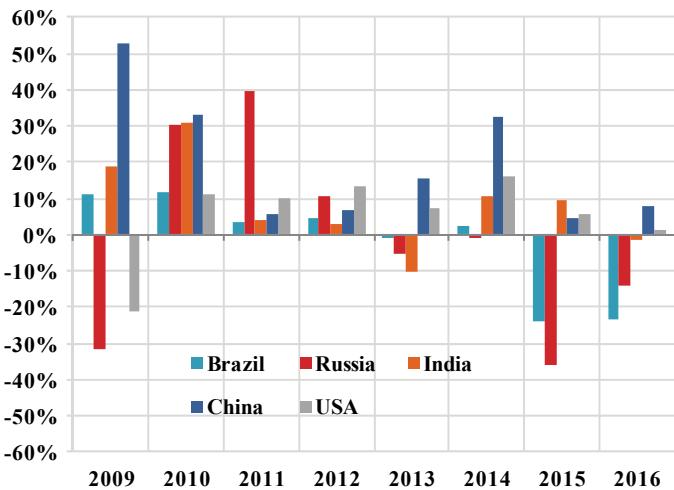
Auto sales in China reached 2.07 million units in June, up 15% year-on-year but down 1% month-on-month, according to the China Association of Automobile Manufacturers (CAAM). In the first half of this year Chinese auto sales registered an 8% year-on-year increase, compared to a 1.5% year-on-year gain during the same period in 2015. These gains were supported by the tax incentive on light duty vehicles. These tax breaks are expected to steal demand from future years, however. In June China's auto production reached 2.05 million units, up nearly 11% year-on-year. In the first half of this year auto production rose 6.4% year-on-year, compared to a 2.6% year-on-year gain during the same period in 2015.

Annual Vehicle Sales in China



Source: Bloomberg. Note: 2016 data is through June. Red bar is for same period in 2015.

Annual Percentage Change in Auto Sales



Source: Bloomberg. Note: 2016 data through June.

Monthly Vehicle Sales in China, Year-on-Year Change

Through June 2016



Source: Bloomberg

Monthly Vehicle Production in China, Year-on-Year Change

Through June 2016



Source: Bloomberg



Investment Demand

Net long positions held by institutional investors in Nymex palladium soared 211% to 1.6 million ounces at the end of July from the end of June. This surge in net longs was accompanied by a 38% increase in these investors' gross long positions in Nymex palladium and a 43% decline in their gross shorts during the period. Positive investor sentiment toward the entire precious metals complex, driven primarily by an increase in gold prices, coupled with oversold conditions in the palladium market resulted in the sharp reversal in gross long and short positions.

While institutional investors continued to build fresh longs during the week ending 2 August, they also built some fresh short positions in Nymex palladium, as opposed to short covering during July. This still led to a 13% increase in their net longs as of 2 August from 26 July.

Total open interest in the Nymex palladium rose nearly 30% to 2.8 million ounces at the end of July from 2.2 million ounces on 30 June. The sharp increase in palladium total open interest was accompanied by a surge in prices, which partially suggested substantial fresh building of gross long positions in Nymex palladium. This also was reflected in the commitment of traders' reports released by the CFTC. Open interest has continued to rise into the early trading days of August, reaching the highest level year-to-date of 3.03 million ounces on 9 August.

Investor holdings in palladium ETPs fell 15,223 ounces on a net basis during July from the end of June, after a net inflow of 23,696 ounces in June. Declines in the two South African palladium ETPs were largely responsible for the 0.7% month-on-month decline in overall palladium ETP holdings during July. ABSA's palladium ETP saw a net outflow of 83 ounces during the month while Standard Bank's palladium ETP had a net outflow of 15,009 ounces.

As of 29 July investors had reduced their holdings in palladium ETPs by 135,758 ounces from the end of 2015. The decrease in the two South African palladium ETPs in the first seven months of this year was the main contributor to the year-to-date decline in overall palladium ETPs. If it were not for the two South African palladium ETPs, palladium ETPs as a whole would have seen a decrease of 34,557 ounces.

Nymex Palladium Futures & Options Market Participant Positions

Thousand Troy Ounces

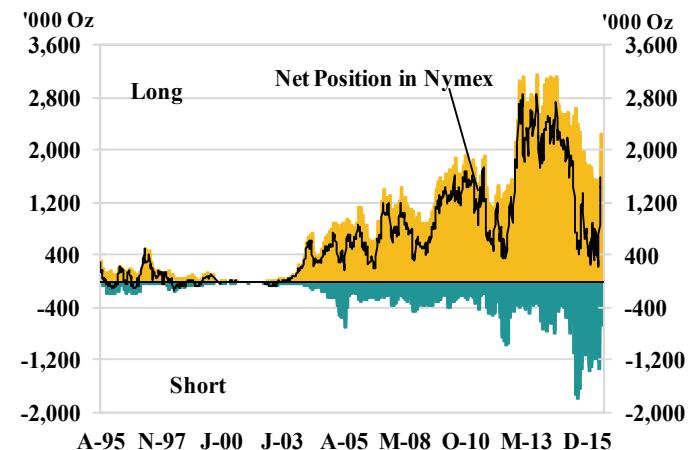
	2-Aug	Δ Month Ago Volume	%	Δ Year Ago Volume	%
Large Non-Commercial Market Participants					
Gross Longs	2,250.7	809.5	56.17%	-36.3	-1.6%
Money Managers	1,913.2	815.7	74.3%	-6.8	-0.4%
Other traders	337.4	-6.3	-1.8%	-29.5	-8.0%
Gross Shorts	-653.1	331.7	-33.7%	1130.0	-63.4%
Money Managers	-119.3	466.7	-79.6%	1106.2	-90.3%
Other traders	-533.8	-135.1	33.9%	23.9	-4.3%
Net Position	1,597.6	1141.2	250.0%	1093.7	217.0%
Money Managers	1,793.9	1282.4	250.7%	1099.4	158.3%
Other traders	-196.4	-141.4	257.1%	-5.6	2.9%
Large Commercial Market Participants					
Gross Longs	560.1	-89.1	-13.7%	-626.4	-52.8%
Gross Shorts	-2,264.7	-1173.0	107.4%	-612.9	37.1%
Net Position	-1,704.6	-1262.1	285.2%	-1239.3	266.3%

Note: Negative numbers indicate short positions.

Source: CFTC

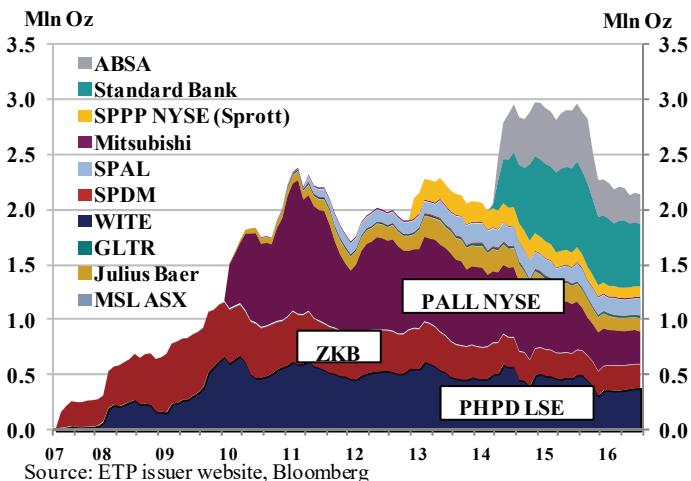
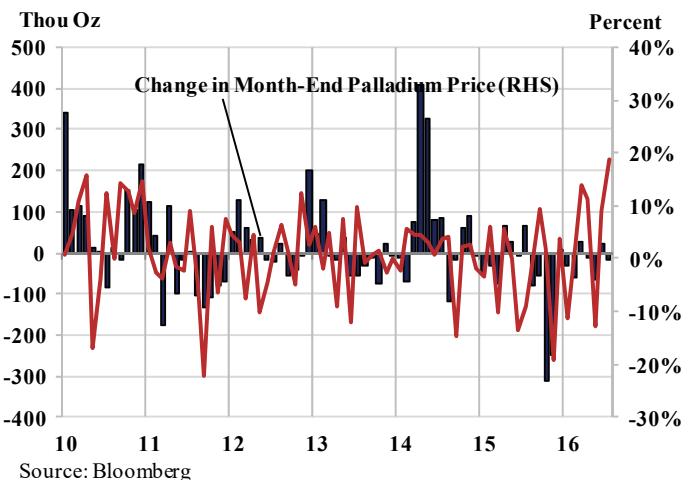
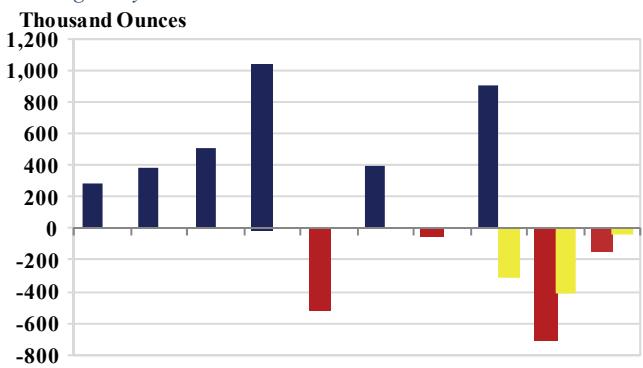
Gross Long and Short Positions of Non-Commercial Positions

Nymex Palladium Futures & Options. Weekly Data, Through 2 August



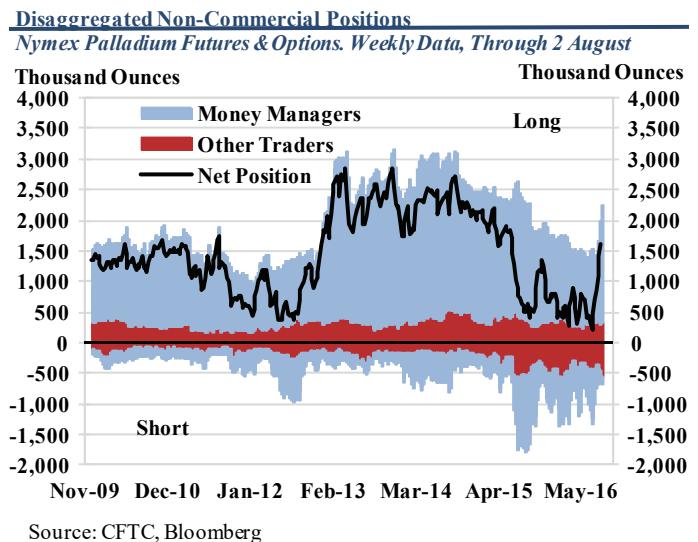
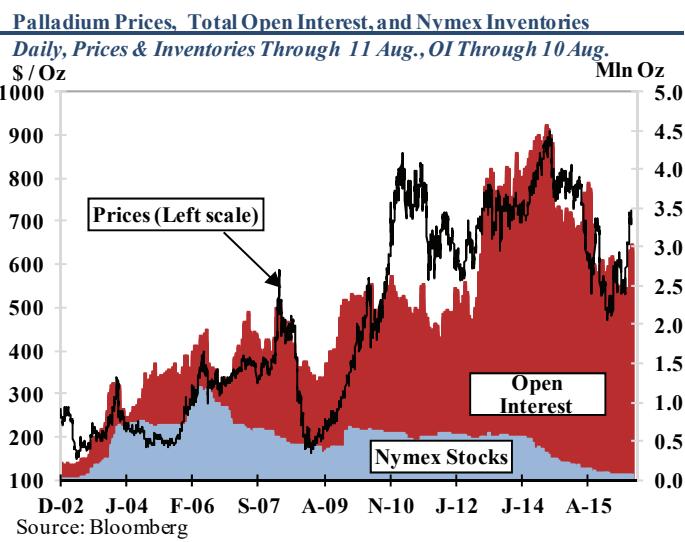
**Palladium ETP Holdings***Data as of 29 July, changes from 30 June*

	Month-end Holdings	Δ %	Δ Ounce
PALL ETF Securities	293,163	↓ -4.99%	-14,641
Palladium ZKB - SIX	215,382	↓ -0.04%	-96
Palladium Julius Baer	120,813	↑ 3.72%	4,500
PHPD ETF Securities	380,750	↑ 0.15%	578
GLTR - ETFS	20,803	↑ 12.65%	2,631
WITE - ETFS	2,527	-0.00%	0
Palladium MSL - ASX	2,382	0.00%	0
SPDM iShares	6,212	↓ -0.03%	-2
SPAL Source	152,722	↑ 4.52%	6,900
Mitsubishi	11,574	-0.00%	0
Standard Bank	566,733	↓ -2.65%	-15,009
ABSA	271,276	↓ -0.03%	-83
Sprott	96,032	-0.00%	0
Total	2,140,369	↓ -0.7%	-15,223
YTD Net Changes in Total ETP Holdings*			-135,758

Palladium ETP Holdings*Through 29 July 2016***Monthly Changes in Palladium ETP Holdings and Prices***Through 29 July 2016***Annual Changes to Palladium ETP Holdings***Through July 2016*



Palladium Investment Demand





Palladium Markets

Nymex Pd Deliveries & Monthly Changes in Reported Inventories

Troy Ounces

Year	Month	Deliveries	Month-End Inventories			Net Monthly Change in Inventories		
			Registered	Eligible	Total	Registered	Eligible	Total
2012	January	200	N/A	N/A	591,000	N/A	N/A	-12,300
	February	0	N/A	N/A	601,800	N/A	N/A	10,800
	March	58,900	N/A	N/A	593,100	N/A	N/A	-8,700
	April	200	N/A	N/A	590,600	N/A	N/A	-2,500
	May	100	N/A	N/A	582,600	N/A	N/A	-8,000
	June	63,700	N/A	N/A	574,800	N/A	N/A	-7,800
	July	400	N/A	N/A	570,700	N/A	N/A	-4,100
	August	500	N/A	N/A	545,600	N/A	N/A	-25,100
	September	35,200	N/A	N/A	542,000	N/A	N/A	-3,600
	October	1,000	N/A	N/A	533,800	N/A	N/A	-8,200
	November	700	N/A	N/A	531,100	N/A	N/A	-2,700
	December	85,500	N/A	N/A	522,700	N/A	N/A	-8,400
2013	January	300	226,704	325,890	552,185	N/A	N/A	29,894
	February	0	226,298	316,000	542,276	-697	-9,322	-10,318
	March	116,800	206,040	347,463	553,029	-20,258	31,186	11,227
	April	2,900	181,311	364,700	545,609	-24,729	17,237	-7,492
	May	400	183,066	359,638	542,297	1,262	-4,569	-3,307
	June	85,200	170,028	396,500	565,839	-11,545	38,571	23,747
	July	1,300	171,655	401,039	572,694	627	2,337	6,243
	August	100	170,161	390,398	560,559	-1,399	-10,736	-12,135
	September	84,500	163,219	394,231	557,450	-6,942	3,833	-3,109
	October	200	130,325	421,346	551,671	-32,894	27,115	-5,779
	November	200	130,227	416,583	546,810	-98	-4,763	-4,861
	December	34,600	115,696	429,817	545,513	-14,531	13,234	-1,297
2014	January	400	115,696	424,322	540,018	0	-5,495	-5,495
	February	100	125,696	396,679	522,375	10,000	-27,643	-17,643
	March	108,300	138,404	279,459	417,863	12,708	-117,220	-104,512
	April	100	139,827	261,768	401,595	1,423	-17,691	-16,268
	May	400	138,708	271,435	410,143	-1,119	9,667	8,548
	June	82,500	139,276	202,387	341,663	568	-69,048	-68,480
	July	200	137,984	189,550	327,534	-1,292	-12,837	-14,129
	August	700	137,784	131,517	269,301	-200	-58,033	-58,233
	September	62,500	145,150	123,634	268,784	7,366	-7,883	-517
	October	35,900	113,356	124,542	237,898	-31,794	908	-30,886
	November	500	79,159	139,187	218,346	-34,197	14,645	-19,552
	December	54,700	77,269	144,197	221,466	-1,890	5,010	3,120
2015	January	1,000	77,864	140,758	218,622	595	-3,439	-2,844
	February	2,300	71,878	116,545	188,423	-5,986	-24,213	-30,199
	March	7,900	34,434	150,040	184,474	-37,444	33,495	-3,949
	April	500	34,332	119,418	153,750	-102	-30,622	-30,724
	May	300	34,332	119,418	153,750	0	0	0
	June	53,200	47,619	95,986	143,605	13,287	-23,432	-10,145
	July	5,200	44,811	91,582	136,393	-2,808	-4,404	-7,212
	August	1,600	40,235	42,291	82,526	-4,576	-49,291	-53,867
	September	35,000	38,380	57,068	95,448	-1,855	14,777	12,922
	October	400	37,784	51,320	89,104	-596	-5,748	-6,344
	November	100	37,685	49,132	86,817	-99	-2,188	-2,287
	December	32,200	48,901	34,964	83,865	11,216	-14,168	-2,952
2016	January	200	38,240	34,063	72,303	-10,661	-901	-11,562
	February	2,300	24,017	30,278	54,295	-14,223	-3,785	-18,008
	March	14,900	33,551	32,319	65,870	9,534	2,041	11,575
	April	1,300	31,829	40,726	72,555	-1,722	8,407	6,685
	May	900	31,829	42,662	74,491	0	1,936	1,936
	June	6,100	26,001	42,366	68,367	-5,828	-296	-6,124
	July	1,600	26,001	43,822	69,823	0	1,456	1,456

Note: Deliveries are notices issued by short market participants to deliveries to long market participants, who take delivery of the metal.

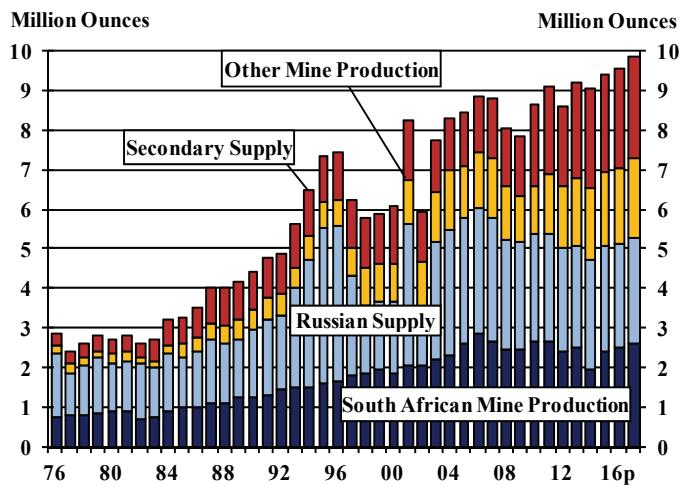
Most of these ownership transfers result in metal staying in

Since January 2006, there was a -.16 correlation between monthly changes in total inventories registered and eligible inventories in January 2013.

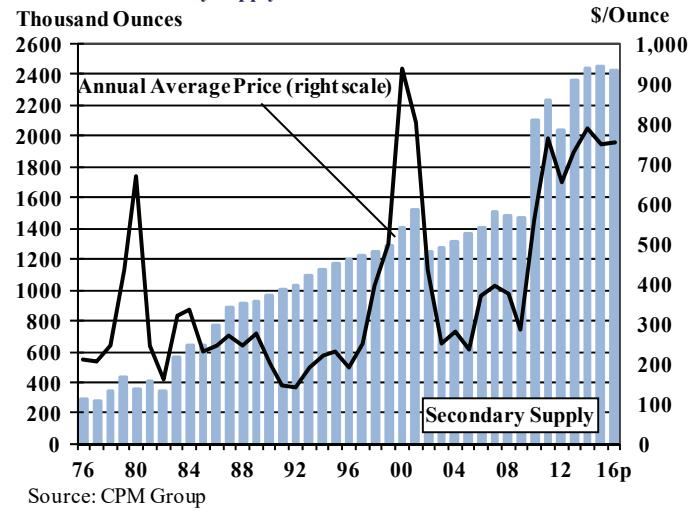


Palladium Supply

• Annual Palladium Supply



Palladium Secondary Supply and Price





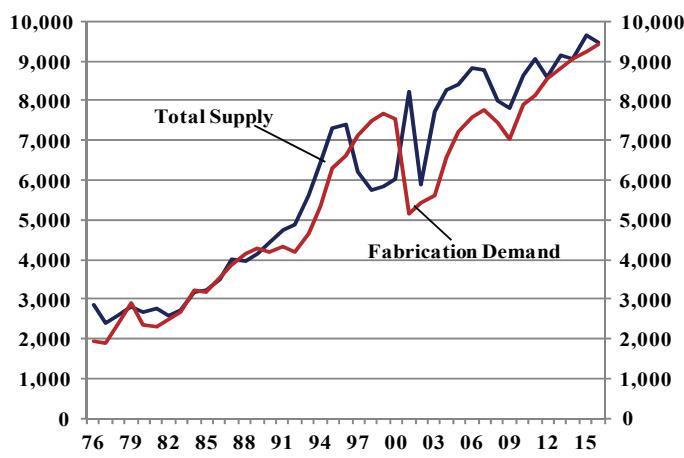
Palladium Statistical Position

Palladium Statistical Position								
Supply	2009	2010	2011	2012	2013	2014	2015	2016p
Mine Production								
Russia	2,686	2,732	2,714	2,638	2,590	2,759	2,585	2,354
South Africa	2,443	2,617	2,637	2,376	2,488	1,936	2,680	2,681
Canada	229	250	503	519	585	748	692	696
United States	418	382	407	404	412	408	411	416
Others	550	553	575	605	668	685	686	715
Total	6,326	6,535	6,836	6,542	6,743	6,536	7,053	6,863
% Change Year Ago	-3.2%	3.3%	4.6%	-4.3%	3.1%	-3.1%	7.9%	-2.7%
Secondary Supply								
Total	1,470	2,100	2,230	2,032	2,414	2,509	2,601	2,602
% Change Year Ago	-0.7%	42.9%	6.2%	-8.9%	18.8%	3.9%	3.6%	0.1%
Total Supply	7,796	8,635	9,066	8,574	9,157	9,045	9,654	9,465
% Change Year Ago	-2.7%	10.8%	5.0%	-5.4%	6.8%	-1.2%	6.7%	-2.0%
Fabrication Demand								
Electronics	1,095	1,179	1,207	1,191	1,229	1,246	1,250	1,241
Automotive	3,960	4,812	5,035	5,465	5,695	5,921	6,132	6,304
Dental	782	774	762	756	744	737	727	726
Other	1,206	1,152	1,137	1,134	1,134	1,137	1,134	1,127
Total Demand	7,043	7,917	8,141	8,546	8,801	9,041	9,242	9,398
% Change Year Ago	-5.3%	12.4%	2.8%	5.0%	3.0%	2.7%	2.2%	1.7%
Net Surplus or Deficit	753	718	925	28	356	4	411	67
Changes in Market Inventories*	719	961	-488	322	216	-339		
								YTD
High	\$410.00	\$804.90	\$857.70	\$719.75	\$783.95	\$908.65	\$831.65	\$726.40
Low	176.10	380.05	564.15	561.60	633.25	700.10	525.80	469.80
Average	266.75	528.97	733.92	644.91	726.51	803.45	690.35	570.08
% Change Year Ago	-24.4%	98.3%	38.7%	-12.1%	12.7%	10.6%	-14.1%	-23.4%

*Thousand Troy Ounces; Notes: Excludes transitional economies, except as noted. Secondary production statistics exclude toll-refined material. Prices are settlement prices for the active nearby contract on the New York Mercantile Exchange. 2014 through 3 April . Changes in market inventories are month-end. *Changes in 1997 market inventories exclude U.S. Industry stocks since the U.S. Bureau of Mines ceased publication of U.S. Industry stock level data in the third quarter of 1997. As of 2006 inventories includes changes in ETF holdings. There may be discrepancies due to rounding. NA -- not available. e -- estimates. p -- projections. Sources: U.S. Bureau of Mines, Statistics Canada, trade sources, CPM Group, 11 August 2016.

World Palladium Supply and Demand Balance

Thou. Ounces



Palladium Quarterly Average Price Projections

\$/Ounce, through Q2 2018

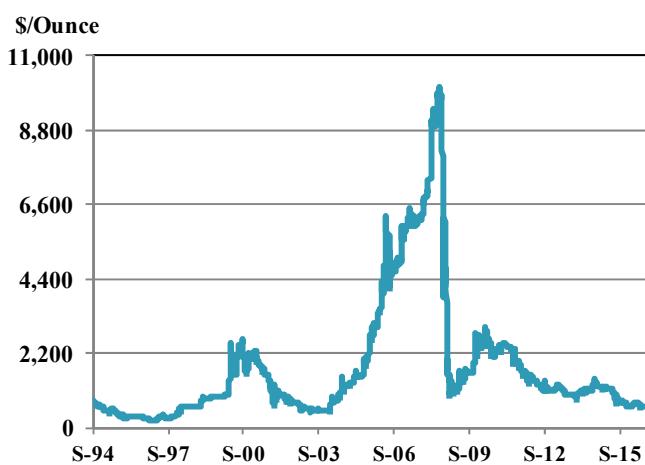




Rhodium

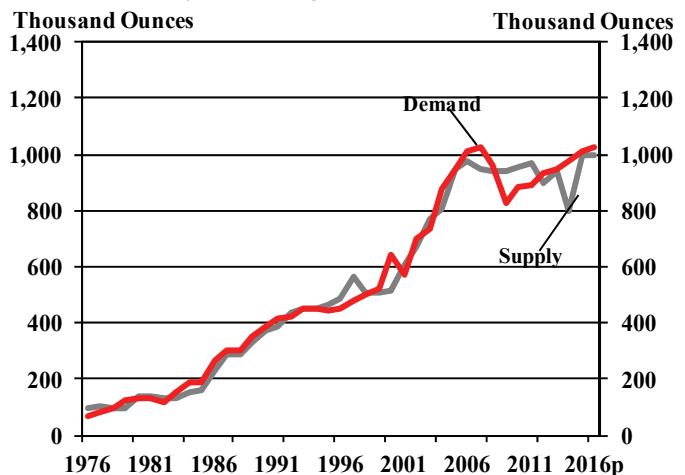
Daily JM Rhodium Prices

Through 11 August 2016



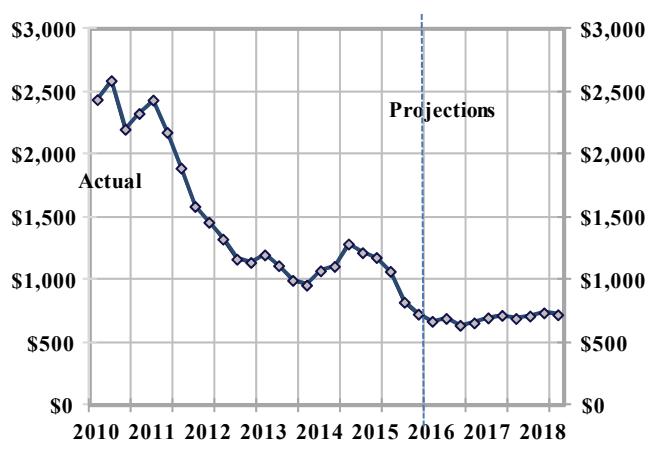
Rhodium Supply and Demand

Annual Data, Projected Through 2016



Rhodium Quarterly Average Price Projections to Q2 2018

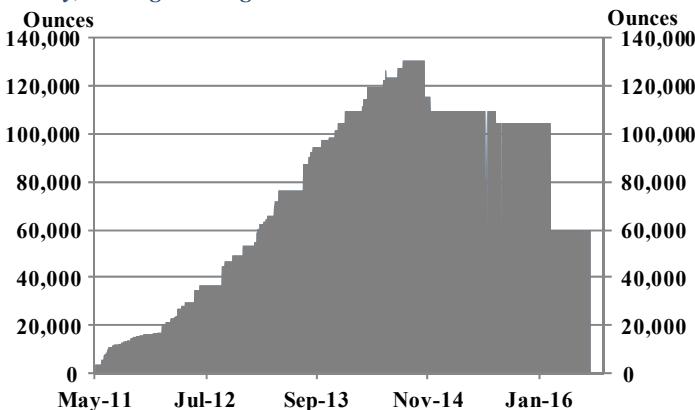
\$ / Ounce



Year	Quarter	Quarterly AVG	Change	Annual AVG	Change
2016	III	\$641	-7.9%		
	IV	\$660	3.0%	\$667	-29.9%
2017	I	\$700	6.1%		
	II	\$720	2.9%		
	III	\$695	-3.5%		
	IV	\$715	2.9%	\$708	6.0%
2018	I	\$740	3.5%		
	II	\$725	-2.0%		

Rhodium Exchange Traded Product Holdings

Daily, Through 10 August 2016



Note: Metal is stored in the United Kingdom and is the combined holdings of the ETC's two primary listings, the db Physical Rhodium ETC (EUR) traded on the Xetra and Borse Italiano and the db Physical Rhodium ETC traded on the LSE.
Source: db, Bloomberg



Precious Metal Price Table

Yr	Q	Gold		Silver		Platinum		Palladium		Rhodium	
		Quarterly %		Quarterly %		Quarterly %		Quarterly %		Quarterly %	
		Price	Change								
2004	I	\$409	4.1%	\$6.72	26.8%	\$864	12.9%	\$245	20.6%	\$598	25.7%
	II	\$394	-3.8%	\$6.26	-6.8%	\$830	-4.0%	\$259	5.9%	\$773	29.2%
	III	\$403	2.3%	\$6.51	4.0%	\$837	0.8%	\$218	-16.1%	\$1,030	33.3%
	IV	\$435	8.1%	\$7.27	11.8%	\$850	1.6%	\$210	-3.5%	\$1,210	17.5%
2005	I	\$428	-1.6%	\$7.00	-3.7%	\$865	1.8%	\$191	-9.0%	\$1,448	19.7%
	II	\$429	0.2%	\$7.17	2.4%	\$873	0.9%	\$193	0.9%	\$1,567	8.2%
	III	\$441	2.8%	\$7.10	-1.0%	\$899	3.0%	\$189	-1.8%	\$2,058	31.3%
	IV	\$487	10.5%	\$8.11	14.2%	\$962	6.9%	\$243	28.6%	\$2,795	35.8%
2006	I	\$556	14.3%	\$9.74	20.1%	\$1,042	8.4%	\$295	21.2%	\$3,355	20.0%
	II	\$630	13.2%	\$12.26	25.9%	\$1,189	14.0%	\$350	18.6%	\$4,655	38.7%
	III	\$623	-1.2%	\$11.72	-4.5%	\$1,223	2.9%	\$326	-6.7%	\$4,531	-2.7%
	IV	\$608	-2.3%	\$12.68	8.2%	\$1,130	-7.6%	\$325	-0.5%	\$4,896	8.1%
2007	I	\$652	7.2%	\$13.36	5.4%	\$1,198	6.0%	\$347	6.9%	\$5,762	17.7%
	II	\$671	2.8%	\$13.37	0.1%	\$1,298	8.4%	\$372	7.1%	\$5,990	4.0%
	III	\$684	2.0%	\$12.80	-4.3%	\$1,301	0.2%	\$352	-5.5%	\$6,006	0.3%
	IV	\$794	16.0%	\$14.33	12.0%	\$1,457	12.0%	\$365	3.9%	\$6,463	7.6%
2008	I	\$928	17.0%	\$17.68	23.4%	\$1,889	29.6%	\$451	23.5%	\$8,069	24.9%
	II	\$898	-3.2%	\$17.20	-2.7%	\$2,037	7.9%	\$449	-0.5%	\$9,275	14.9%
	III	\$870	-3.2%	\$14.97	-13.0%	\$1,532	-24.8%	\$328	-27.0%	\$6,277	-32.3%
	IV	\$795	-8.6%	\$10.18	-32.0%	\$871	-43.2%	\$192	-41.4%	\$1,424	-77.3%
2009	I	\$910	14.5%	\$12.64	24.1%	\$1,030	18.3%	\$201	4.4%	\$1,060	-25.6%
	II	\$924	1.5%	\$13.75	8.9%	\$1,179	14.4%	\$236	17.6%	\$1,283	21.0%
	III	\$962	4.1%	\$14.77	0.4%	\$1,239	5.2%	\$276	16.8%	\$1,523	18.7%
	IV	\$1,101	14.4%	\$17.58	19.0%	\$1,400	13.0%	\$351	27.5%	\$2,045	34.3%
2010	I	\$1,110	0.9%	\$16.92	-3.7%	\$1,562	11.6%	\$441	25.4%	\$2,440	19.3%
	II	\$1,197	7.9%	\$18.36	8.5%	\$1,634	4.6%	\$496	12.5%	\$2,592	6.2%
	III	\$1,228	2.5%	\$19.00	3.5%	\$1,556	-4.8%	\$496	0.1%	\$2,204	-15.0%
	IV	\$1,369	11.5%	\$25.59	34.7%	\$1,701	9.3%	\$679	36.8%	\$2,329	5.7%
2011	I	\$1,386	1.2%	\$31.74	24.0%	\$1,797	5.6%	\$793	16.8%	\$2,436	4.6%
	II	\$1,507	8.7%	\$39.36	24.0%	\$1,788	-0.5%	\$761	-4.0%	\$2,179	-10.6%
	III	\$1,700	12.8%	\$38.86	-1.3%	\$1,774	-0.7%	\$755	-0.8%	\$1,894	-13.1%
	IV	\$1,686	-0.8%	\$31.84	-18.0%	\$1,534	-13.5%	\$632	-16.3%	\$1,588	-16.1%
2012	I	\$1,693	0.4%	\$32.72	2.8%	\$1,613	5.1%	\$684	8.3%	\$1,462	-8.0%
	II	\$1,614	-4.7%	\$29.47	-10.0%	\$1,503	-6.9%	\$629	-8.1%	\$1,328	-9.2%
	III	\$1,657	2.6%	\$30.08	2.1%	\$1,505	0.2%	\$615	-2.2%	\$1,168	-12.0%
	IV	\$1,718	3.7%	\$32.59	8.3%	\$1,600	6.3%	\$655	6.4%	\$1,142	-2.2%
2013	I	\$1,630	-5.1%	\$30.03	-7.9%	\$1,633	2.1%	\$742	13.3%	\$1,202	5.3%
	II	\$1,415	-13.2%	\$23.11	-23.1%	\$1,467	-10.2%	\$715	-3.7%	\$1,116	-7.1%
	III	\$1,327	-6.2%	\$21.42	-7.3%	\$1,454	-0.9%	\$724	1.3%	\$999	-10.5%
	IV	\$1,272	-4.2%	\$20.81	-2.8%	\$1,399	-3.8%	\$726	0.2%	\$961	-3.8%
2014	I	\$1,294	1.7%	\$20.55	-1.3%	\$1,439	2.9%	\$747	2.9%	\$1,075	11.9%
	II	\$1,290	-0.3%	\$19.66	-4.3%	\$1,449	0.7%	\$815	9.2%	\$1,111	3.3%
	III	\$1,280	-0.7%	\$19.68	0.1%	\$1,434	-1.0%	\$863	5.9%	\$1,289	16.1%
	IV	\$1,200	-6.3%	\$16.48	-16.2%	\$1,230	-14.2%	\$788	-8.7%	\$1,219	-5.4%
2015	I	\$1,219	1.5%	\$16.72	1.5%	\$1,194	-2.9%	\$786	-0.3%	\$1,181	-3.1%
	II	\$1,193	-2.1%	\$16.39	-2.0%	\$1,129	-5.4%	\$759	-3.4%	\$1,071	-9.3%
	III	\$1,124	-5.8%	\$14.88	-9.2%	\$991	-12.3%	\$615	-19.0%	\$825	-23.0%
	IV	\$1,104	-1.7%	\$14.75	-0.9%	\$910	-8.2%	\$607	-1.2%	\$730	-11.5%
2016p	I	\$1,181	7.0%	\$14.88	0.9%	\$917	0.8%	\$524	-13.7%	\$673	-7.8%
	II	\$1,261	6.7%	\$16.84	13.1%	\$1,007	9.9%	\$569	8.5%	\$696	3.5%
	III	\$1,339	-0.5%	\$19.73	17.2%	\$1,114	10.6%	\$641	12.8%	\$641	-7.9%
	IV	\$1,350	1.5%	\$18.45	-6.5%	\$1,095	-1.7%	\$617	-3.9%	\$660	3.0%
2017p	I	\$1,377	2.0%	\$18.85	2.2%	\$1,120	2.3%	\$645	4.6%	\$700	6.1%
	II	\$1,374	-0.3%	\$18.60	-1.3%	\$1,085	-3.1%	\$630	-2.3%	\$720	2.9%
	III	\$1,387	1.0%	\$18.80	1.1%	\$1,090	0.5%	\$615	-2.4%	\$695	-3.5%
	IV	\$1,412	1.8%	\$19.20	2.1%	\$1,160	6.4%	\$635	3.3%	\$715	2.9%
2018p	I	\$1,436	1.8%	\$19.30	0.5%	\$1,180	1.7%	\$665	4.7%	\$740	3.5%
	II	\$1,429	-0.5%	\$19.00	-1.6%	\$1,190	0.8%	\$650	-2.3%	\$725	-2.0%



Precious Metals Equities

<u>Financial Performance</u> <u>August 11, 2016</u>	<u>Price</u>	<u>One Month % Change</u>	<u>One Year % Change</u>	<u>52 Week Range</u>	<u>P/E</u>	<u>Dividend</u>
South African Gold Finance Houses						
AngloGold Ashanti	22.03	22.0%	245.3%	22.65/5.68	14.88	N/A
Gold Fields	6.41	30.8%	130.6%	22.65/2.08	22.10	0.01
Harmony Gold Mining Co. Ltd.	4.55	26.0%	317.4%	4.81/0.53	N/A	N/A
Randgold & Exploration Co.	110.61	-1.3%	77.7%	125.41/55.52	35.74	0.60
North American Gold Mining Companies						
Agnico-Eagle	58.59	9.5%	147.1%	59.77/21.1	89.45	0.55
Barrick Gold	21.74	1.8%	183.1%	23.16/5.94	32.16	0.37
Goldcorp	18.96	-0.9%	30.9%	29.25/9.82	58.70	0.42
Kinross Gold	5.28	8.0%	155.1%	5.74/1.38	N/A	N/A
Yamana Gold	5.68	9.2%	169.2%	8.92/1.41	N/A	0.70
International Multi-Metal Companies						
BHP	31.55	10.5%	-16.6%	68.92/39/19.38	N/A	4.94
Rio Tinto PLC	32.46	3.7%	-19.0%	59.18/22.7	17.90	4.67
Australian Gold Mining Companies						
Newcrest Mining Ltd.	25.14	9.3%	126.1%	26.63/8.61	47.04	N/A
Silver Mining Companies						
Coeur d'Alene Mines Corp.	15.83	48.5%	391.6%	15.98/1.73	N/A	N/A
Compania de Minas Buenaventura S.A.	15.23	27.4%	124.6%	15.55/3.38	N/A	N/A
Industrias Peñoles S.A. de C.V.	N/A	N/A	N/A	28.19/8.1343	N/A	N/A
Pan American Silver Corp.	20.06	21.9%	193.7%	20.06/5.63	N/A	0.62
Silver Standard Resources Inc.	15.43	18.8%	148.1%	15.43/3.8	N/A	N/A
Platinum Mining Companies						
Adriana Resources	#N/A	#N/A	#N/A	0.18/0.08	N/A	N/A
Aquarius Platinum (A\$)	#N/A	#N/A	#N/A	24.25/5.65	N/A	N/A
Eurasia Mining plc. (£)	0.60	9.1%	-29.4%	1.35/0.4	N/A	N/A
Jubilee Platinum (£)	3.23	15.2%	-27.5%	4.625/1.175	N/A	N/A
North American Palladium	4.76	19.0%	56.2%	137.9001/2.74	N/A	N/A
Pacific North West Capital (C\$)	0.03	-40.0%	100.0%	0.07/0.01	N/A	N/A
Stillwater Mining Company	15.18	28.0%	69.6%	19.17/5.29	303.60	N/A
Zimplats (A\$)	9.00	2.2%	24.3%	9.05/2.76	N/A	N/A



Market Metrics

Metals Markets

	<u>July</u>	<u>Jun</u>	<u>Jul '15</u>	<u>% Δ1-Year</u>
Gold	\$1,349.00	\$1,320.60	\$1,094.90	23.2%
Silver	\$20.35	\$18.58	\$14.75	38.0%
Platinum	\$1,150.60	\$1,021.50	\$985.00	16.8%
Palladium	\$709.75	\$597.35	\$610.85	16.2%
Rhodium	\$625.00	\$650.00	\$750.00	-16.7%
Iridium	\$575.00	\$525.00	\$500.00	15.0%
Ruthenium	\$42.00	\$42.00	\$40.00	5.0%
Osmium	\$400.00	\$400.00	\$400.00	0.0%

Indices

	<u>July</u>	<u>Jun</u>	<u>Jul '15</u>	<u>% Δ1-Year</u>
Nasdaq	5,162	4,843	5,128	0.7%
DJIA	18,432	17,930	17,690	4.2%
S&P 510	2,174	2,099	2,104	3.3%
FT World Stock	478	462	498	-4.0%
U.S. T-bills	0.24%	0.25%	0.06%	313.8%
U.S. 10 Yr Notes	1.45%	1.47%	2.18%	-33.3%
\$-Euro Interest Rate Differential	0.54%	0.53%	0.08%	563.0%
CRB Commodity Index	181.0	192.6	202.6	-10.6%
Economist Commodity*				
Dollar Index	136.0	139.50	142.1	-4.3%
FT Gold Mines Index	2,018	1,788	859	134.8%
XAU Gold & Silver Equity	110.3	97.6	47.6	131.8%
Tremont Man. Futures Account Index, Return				
Oil (Nymex CL)	NA	4.2%	4.33%	N/A
	\$41.60	\$48.33	\$47.12	-11.7%

Currencies

	<u>July</u>	<u>Jun</u>	<u>Jul '15</u>	<u>% Δ1-Year</u>
\$/Euro	1.12	1.11	1.10	1.7%
Japanese Yen/\$	102.06	103.20	123.89	-17.6%
\$/British Pound	1.32	1.33	1.56	-15.3%
U.S. TW\$	122.48	121.54	117.56	11%

	Real GDP		Consumer Prices		Interest Rates		Money Supply		Industrial Prod.	
	2016	2015	2016	2015	2016	Latest	2016	Latest	2016	2016
	2Q	2Q	June	June	Latest	Latest	June	June	June	June
United States	1.2%	2.6%	0.2%	0.2%	0.37%	6.9%			-0.7%	
Eurozone	0.3%	0.4%	0.2%	0.0%	0%	8.5%			0.0%	
United Kingdom	0.6%	0.4%	0.2%	0.0%	0.25%	8.2%			1.6%	
Japan	0.0%	-0.4%	-0.2%	-0.2%	-0.01%	7.5%			-1.9%	
China	6.7%	7.0%	-0.1%	0.0%	4.35%		24.6%		0.0%	
India	-	0.0%	6.1%	6.1%	6.00%		14.0%		4.3%	

Notes: Gold, silver, platinum, palladium, and copper nearby active Comex or Nymex. Minor PGMs are **Metals Week** dealer prices; Interest rates are 3-month money market rates for the U.S., Euro, U.K., and Japan; Interest rates are one-year rates for China & India; \$-Euro interest rate differential is the spread between rates available on the 90-day government notes of each; Money supply is percent change from previous year; Money supply is M1, UK is M0; Monetary reserves excluding gold; NA - Not Available.