Predicting the Markets
Chapter 11 Charts: Predicting Commodities

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thinking outside the box
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CRB RAW INDUSTRIALS SPOT PRICE INDEX* *(1967=100, ratio scale)*

* Weekly from January 9, 1951 to May 26, 1981, then daily. Includes copper scrap, lead scrap, steel scrap, tin, zinc, burlap, cotton, print cloth, wool tops, hides, rosin, rubber, and tallow.

Note: Shaded areas denote recessions according to the National Bureau of Economic Research.

Source: Commodity Research Bureau.

CRB RAW INDUSTRIALS SPOT PRICE INDEX* *(1967=100, daily)*

* Includes copper scrap, lead scrap, steel scrap, tin, zinc, burlap, cotton, print cloth, wool tops, hides, rosin, rubber, and tallow.

Note: C = China joined World Trade Organization on December 11, 2001.

Source: Commodity Research Bureau.
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* Value added basis.
** Includes hides, tallow, copper scrap, lead scrap, steel scrap, zinc, tin, burlap, cotton, print cloth, wool tops, rosin, rubber, hogs, steers, lard, butter, soybean oil, cocoa, corn, Kansas City wheat, Minneapolis wheat, and sugar.
Source: Commodity Research Bureau and Haver Analytics.

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* Includes copper scrap, lead scrap, steel scrap, tin, zinc, burlap, cotton, print cloth, wool tops, hides, rosin, rubber, and tallow.

** Nearby futures contract.

Source: Commodity Research Bureau and Haver Analytics.
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Note: Shaded areas denote recessions according to the National Bureau of Economic Research.

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(four-week average, ratio scale)

Note: Shaded red areas denote S&P 500 bear market declines of 20% or more. Yellow areas show bull markets.

* Weekly average of CRB raw industrials spot price index divided by initial unemployment claims, four-week average, showing four-week average.
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Figure 13.

S&P 500 INDEX & BOOM-BUST BAROMETER

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* CRB raw industrials spot price index (weekly average) divided by weekly initial unemployment claims, showing four-week moving average.

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S&P 500
Forward Earnings *

** CRB raw industrials spot price index (weekly average) divided by weekly initial unemployment claims, showing four-week moving average.
Source: Commodity Research Bureau, Bureau of Labor Statistics, and Thomson Reuters I/B/E/S.
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**S&P 500 SECTORS PRICE INDEXES DURING BULL MARKET OF 2002-2007**

(percent change since October 9, 2002)

- Consumer Discretionary (78.3)
- Consumer Staples (40.4)
- Energy (242.2)
- Financials (92.6)
- Health Care (41.4)
- Industrials (125.9)
- Information Technology (145.4)
- Materials (162.3)
- Telecommunications Services (117.8)
- Utilities (172.1)

Source: Standard & Poor's.

Figure 16.

**MSCI SHARE PRICE INDEXES DURING BULL MARKET OF 2003-2007**

(percent change in US dollars since October 9, 2002)

- EM* (386.0)
- EMU** (223.7)
- Japan (113.6)
- UK (130.7)
- US (103.8)

* EM = Emerging Markets.  ** EMU = European Monetary Union.

Source: MSCI.
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EMERGING MARKETS MSCI STOCK PRICE INDEX (in local currencies) & INDUSTRIALS COMMODITY PRICE INDEX (daily)

Emerging Markets MSCI Stock Price Index (local currencies)
CRB Raw Industrials Spot Price Index*

* Includes copper scrap, lead scrap, steel scrap, tin, zinc, burlap, cotton, print cloth, wool tops, hides, rosin, rubber, and tallow.
Source: MSCI and Commodity Research Bureau.

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Emerging Markets MSCI Currency Index*
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* Includes Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Korea, Malaysia, Mexico, Peru, Philippines, Poland, Qatar, Russia, South Africa, Taiwan, Thailand, Turkey, and United Arab Emirates.
** Includes copper scrap, lead scrap, steel scrap, tin, zinc, burlap, cotton, print cloth, wool tops, hides, rosin, rubber, and tallow.
Source: MSCI and Commodity Research Bureau.
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(1967=100)

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* Includes copper scrap, lead scrap, steel scrap, tin, zinc, burlap, cotton, print cloth, wool tops, hides, rosin, rubber, and tallow.
Source: Standard & Poor’s and Commodity Research Bureau.

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*yardeni.com

* Nearby futures price.
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Note: Shaded areas denote recessions according to the National Bureau of Economic Research.
Source: Energy Information Administration.
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Note: Shaded areas denote recessions according to the National Bureau of Economic Research.
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Note: Shaded areas denote recessions according to the National Bureau of Economic Research.
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* Includes copper scrap, lead scrap, steel scrap, tin, zinc, burlap, cotton, print cloth, wool tops, hides, rosin, rubber, and tallow.
** Nearby futures price.

Source: Commodity Research Bureau and Haver Analytics.

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* Nearby futures price.

Source: Haver Analytics.
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Source: Energy Intelligence Administration.

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**US CRUDE OIL REVENUES & OUTLAYS**
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Source: Energy Intelligence Administration.

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* Monthly crude oil production (in mbd) multiplied by 365 days and the price of a barrel of West Texas Intermediate crude oil.
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GOLD PRICE* / CPI

* Cash price, London gold bullion, PM Fix.
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* Cash price, London gold bullion, PM Fix.
** Index is the weighted average of the foreign exchange rates of the US dollar against the Euro Area, Canada, Japan, United Kingdom, Switzerland, Australia, and Sweden. The Euro Area includes Germany, France, Italy, Netherlands, Belgium/Luxembourg, Ireland, Spain, Austria, Finland, Portugal, & Greece. Source: Federal Reserve Board, The Wall Street Journal, and Haver Analytics.

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* Cash price London gold bullion, PM Fix.
** Includes copper scrap, lead scrap, steel scrap, tin, zinc, burlap, cotton, print cloth, wool tops, hides, rosin, rubber, and tallow. Source: Commodity Research Bureau, The Wall Street Journal, and Haver Analytics.
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* Cash price. London gold bullion, PM Fix.
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Source: Standard & Poor’s and Haver Analytics.

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Goldman Sachs Commodity Index
(nearby futures price)

West Texas Intermediate Crude Oil Price Index
(dollars per barrel)

Source: Standard & Poor’s and Haver Analytics.
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