

# Metals Monthly Update

SEPTEMBER 2017



## Recent Developments

### > Precious Metals:

- Overall Precious Metals products' September ADV increased dramatically by 70% YoY. Both Gold and Silver futures' phenomenal performance continued in September, with ADV increasing by 88% and 40% YoY, respectively. Gold and Silver options September ADV was also up by 70% and 1% YoY, respectively.
- Weekly Gold Options liquidity continued to improve rapidly. September ADV increased by 320% YoY – 19 consecutive months of YoY growth.
- Gold prices hit a 1-year high in the beginning of September supported by North Korean geopolitical tension. However, the price has declined since the 2nd week of September affected by market expectation for a Fed rate hike in December. U.S. dollar recovery also pushed gold prices down in September.

### > Base Metals:

- The Base Metals product suite September ADV increased by 88 % YoY, led by the extraordinary performance of Copper Futures.
- Copper prices started to fall after reaching a near three-year high in the 1st week of September on the back of firm U.S. dollar and weak factory data from China.

- Copper Options market quality continued to improve in September: open interest record refreshed 14 times reaching an all-time high 12,686 lots on September 25. September is also the new record volume month for Copper Options with 17,787 lots traded.
- Aluminum Japan Premium (Platts) Futures (MJP) contract hit an OI record of 184,625 MT (7,385 contracts) on September 28.
- Alumina FOB Australia (Platts) Futures (ALA) set a new monthly volume (2,910 lots) record in September. ALA also had a new daily volume record with 820 lots traded on September 28. Open interest reached a record high of 3,900 lots on September 28.

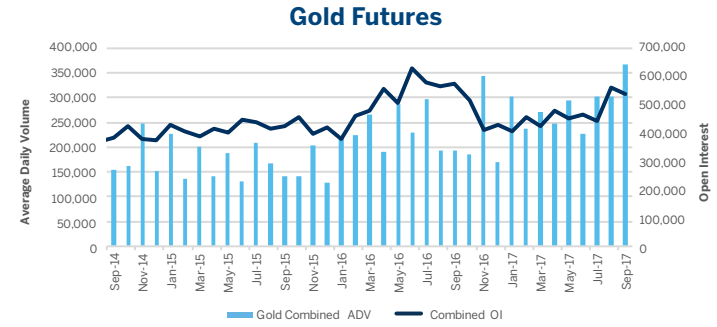
### > Ferrous Metals:

- NYMEX U.S. Midwest Domestic Hot-Rolled Coil Steel (CRU) Futures (HRC) continued to see increased volume in September. Monthly volume was 7,495 lots (149,900 short tons), an increase of 66% YoY.
- Despite market expectation of higher iron ore prices tracking steel prices, the market turned on the back of steel capacity shut downs and high port stocks. Positive steel prices did provide some upward price support.

# Precious Metals

## Gold Futures

Code	Contract Description	Monthly ADV	YoY %	YTD ADV	YoY%
GC	Gold Futures	359,205	87.5%	278,334	22.0%
MGC	E-Micro Gold Furues	6,327	193.7%	4,467	9.8%
QO	E-Mini Gold Futures	452	-3.1%	399	-23.4%
GCK	Gold Kilo Futures	15	-92.1%	17	-92.9%



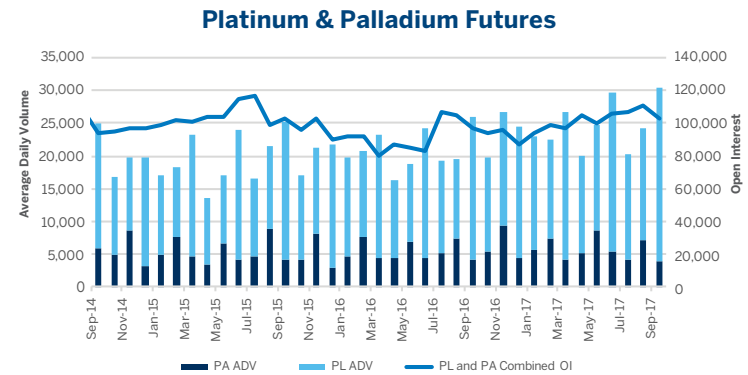
## Silver Futures

Code	Contract Description	Monthly ADV	YoY %	YTD ADV	YoY%
SI	Silver Futures	86,520	40.8%	91,920	28.3%
SIL	1,000 oz Silver Futures	281	-18.3%	284	-31.1%
QI	E-Mini Silver Futures	21	-58.8%	40	-31.9%



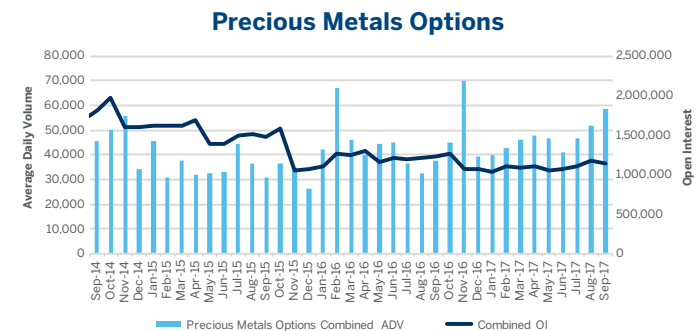
## Platinum & Palladium Futures

Code	Contract Description	Monthly ADV	YoY %	YTD ADV	YoY%
PL	Platinum Futures	26,448	21.8%	18,922	23.0%
PA	Palladium Futures	4,031	-4.3%	5,794	6.1%



## Precious Metals Options

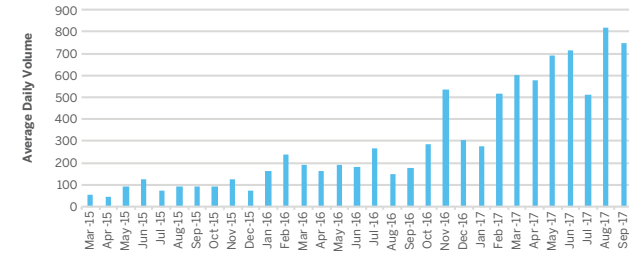
Code	Contract Description	Monthly ADV	YoY %	YTD ADV	YoY%
OG	Gold Options	51,550	68.4%	40,438	8.7%
SO	Silver Options	6,500	1.0%	5,924	5.5%
PO	Platinum Options	127	-53.9%	132	-38.0%
PAO	Palladium Options	197	50.0%	262	70.1%



## Gold Weekly Options

Code	Contract Description	Monthly ADV	YoY %	YTD ADV	YoY%
HG	Copper Futures	115,477	87.4%	102,634	28.8%

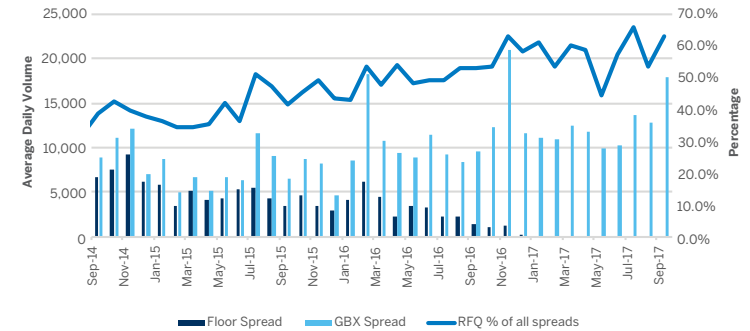
## Gold Weekly Options



## Precious Metals Options RFQ Performance

Precious Metals Options	RFQ % of all spreads	YoY%
September	63.1%	19.2%

## Precious Metals Options RFQ Performance

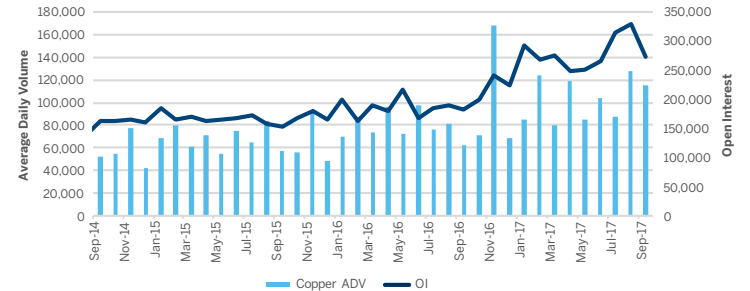


# Base and Ferrous Metals

## Copper Futures

Code	Contract Description	Monthly ADV	YoY %	YTD ADV	YoY%
HG	Copper Futures	115,477	87.4%	102,634	28.8%

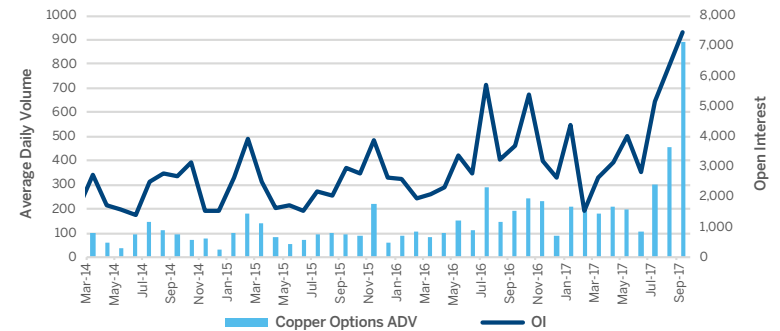
## Copper Futures



## Copper Options

Code	Contract Description	Monthly ADV	YoY %	YTD ADV	YoY%
HX	Copper Options	889	368.4%	302	114.3%

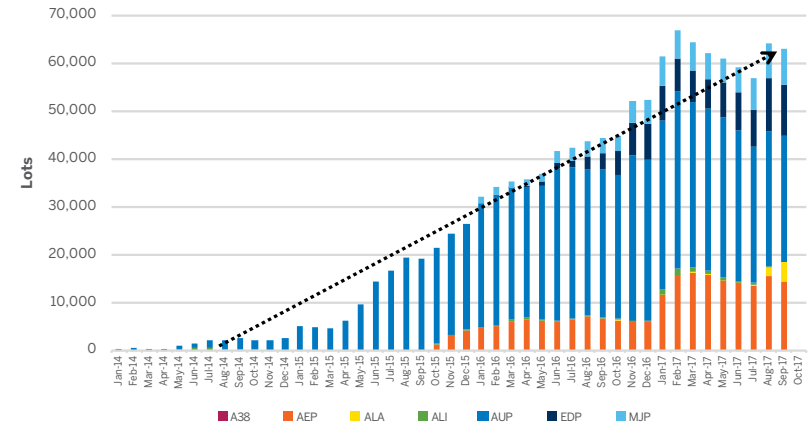
## Copper Options



## Aluminum Futures

Code	Contract Description	Monthly ADV	YoY %	YTD ADV	YoY%
ALI	Aluminum Futures	8	-69.5%	30	2.4%
EDP	Aluminium European Premium Duty-Paid Futures	12	-70.3%	48	83.3%
MJP	Aluminum Japan Premium Futures	80	#DIV/0	62	112.0%
AEP	Aluminium European Premium Duty-Unpaid Futures	40	396.6%	121	150.1%
AUP	Aluminum MW U.S. Transaction Premium Futures	231	-5.4%	339	19.8%

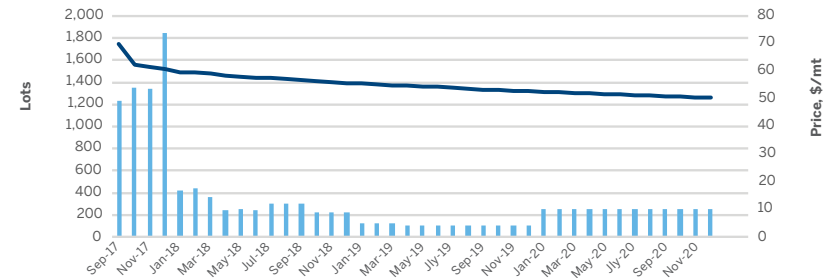
## Aggregated Open Interest Across all CME Aluminum Contracts



## Iron Ore Futures and Options

Commodity Code	Contract Description	Monthly Volume	Monthly ADV	Month-End Open Interest
TIO	Iron Ore 62 China (TSI) Futures	4,556	228	13,784
ICT	Iron Ore 62 China (TSI) Options	4,580	229	18,691

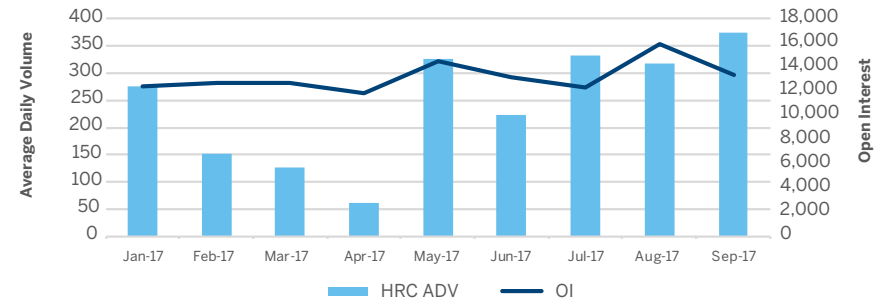
## CME Iron Ore (TIO) Forward Open Interest



## Steel Futures

Code	Contract Description	Monthly ADV	YoY %	YTD ADV	YoY%
HR	U.S. Midwest Domestic Hot-Rolled Coil Steel (CRU) Index Futures	375	74.7%	245	8.3%

## U.S. Midwest Domestic Hot-Rolled Coil Steel (CRU) Index Futures



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