

APOLLO

Outlook for commodity prices: Energy up, agriculture sideways, and metals down

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Apollo Global Management

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Unless otherwise noted, information as of September 2023.

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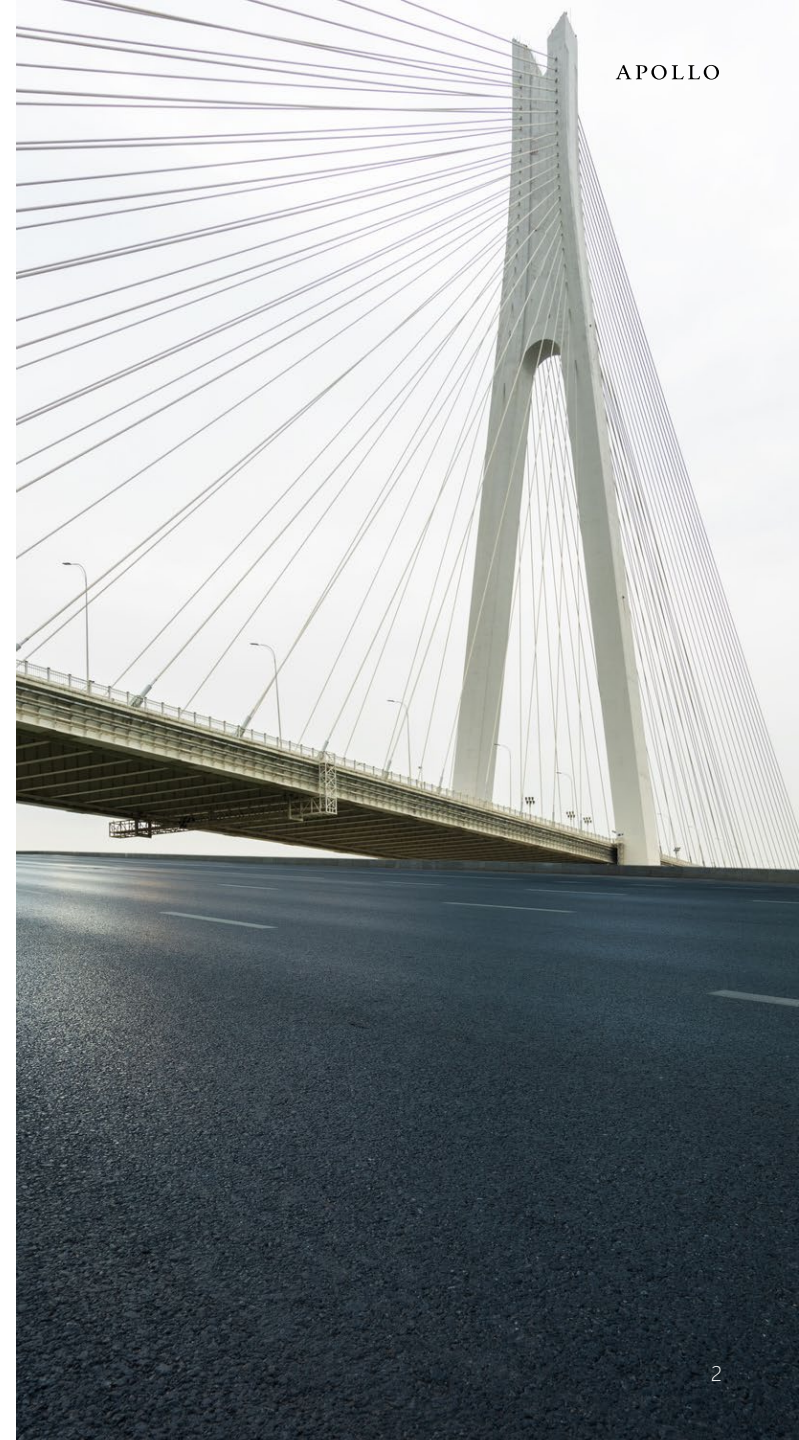
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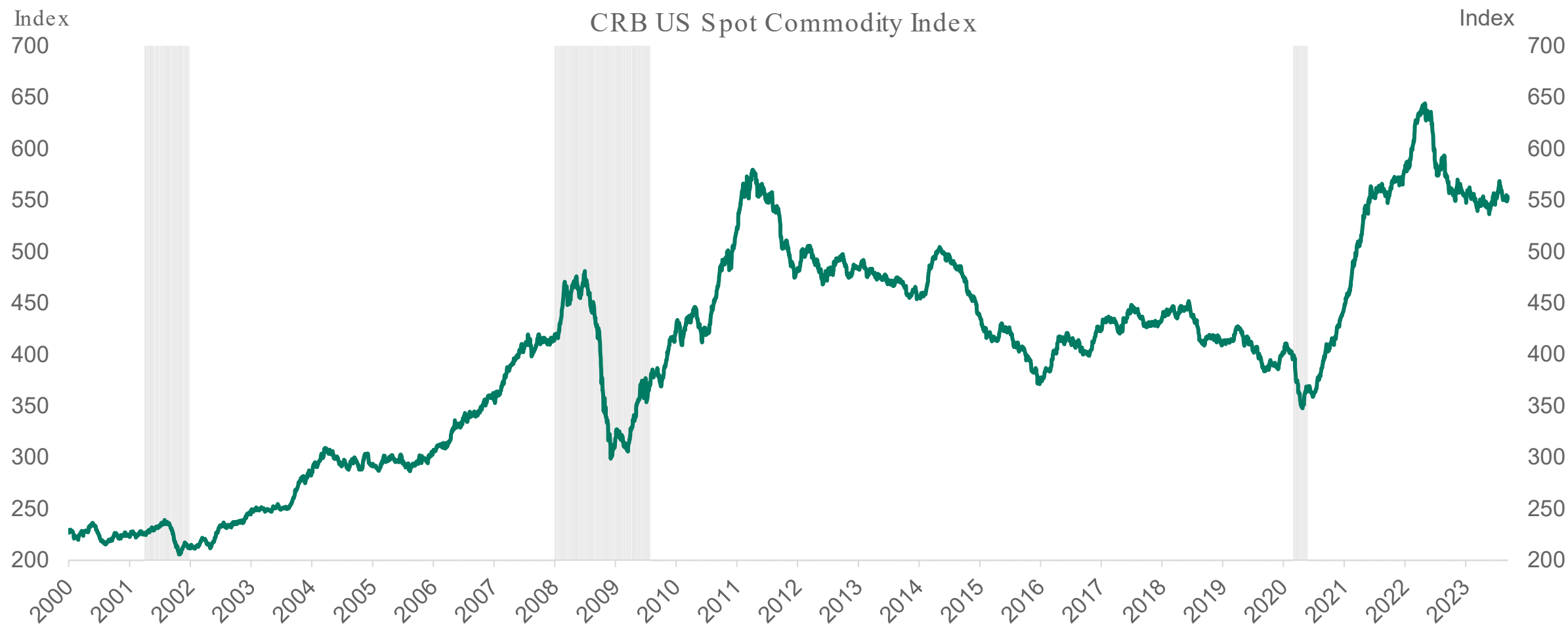
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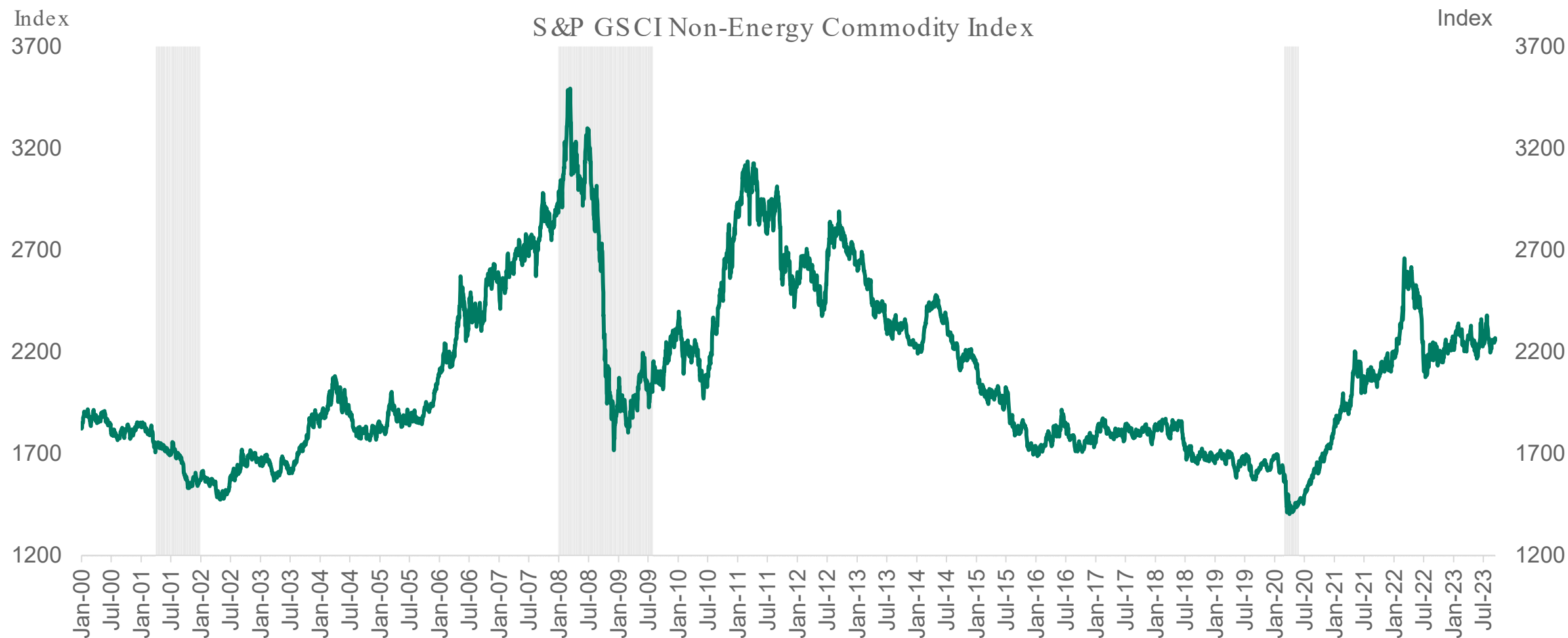


Overview

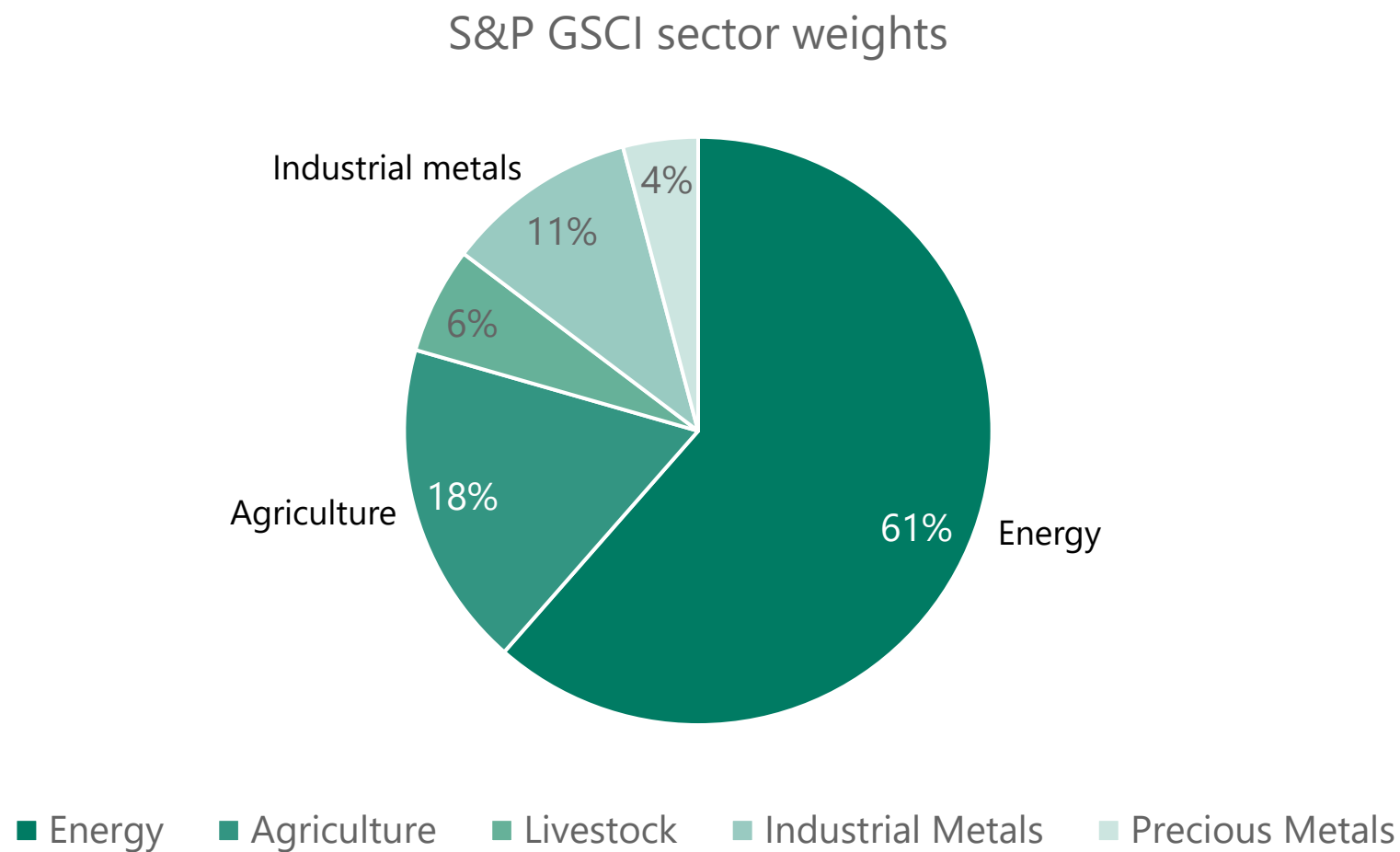
US commodity price index



Non-energy commodity index price

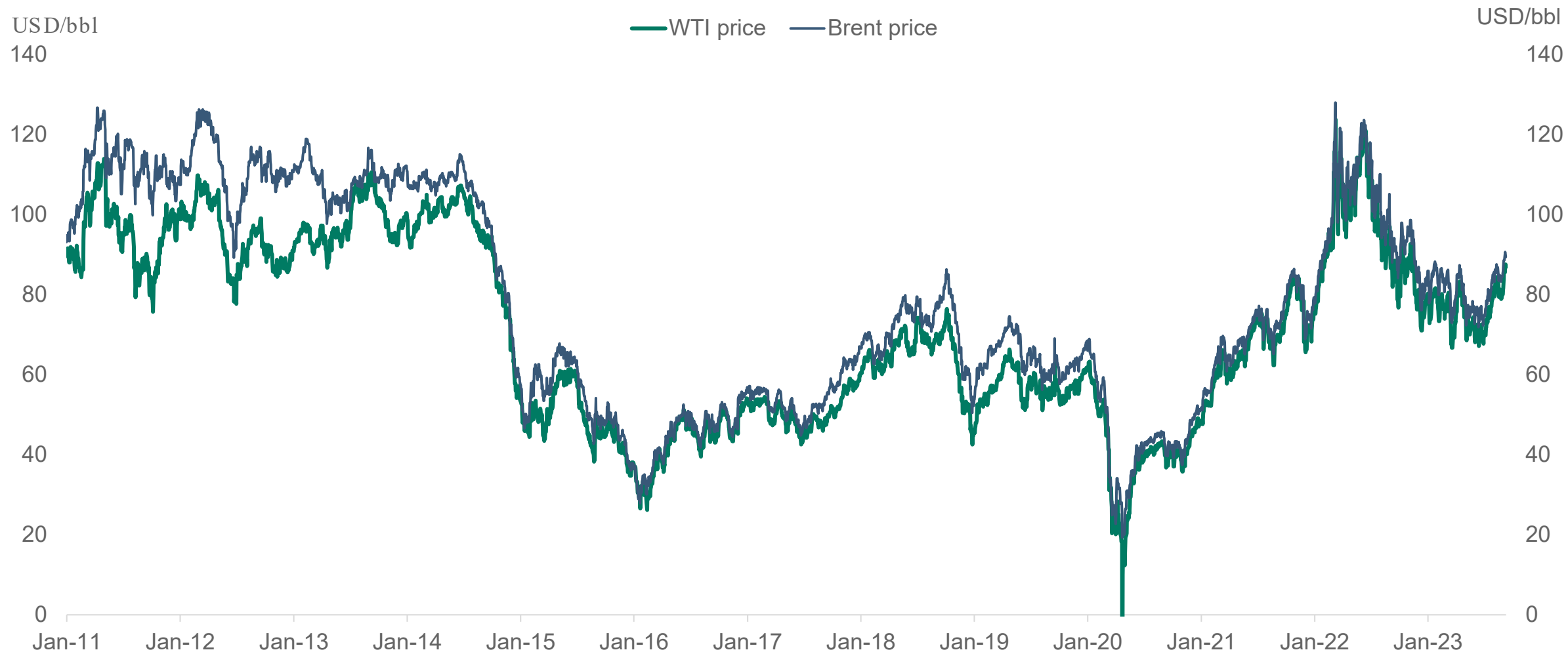


Energy has the biggest weight in the commodity index



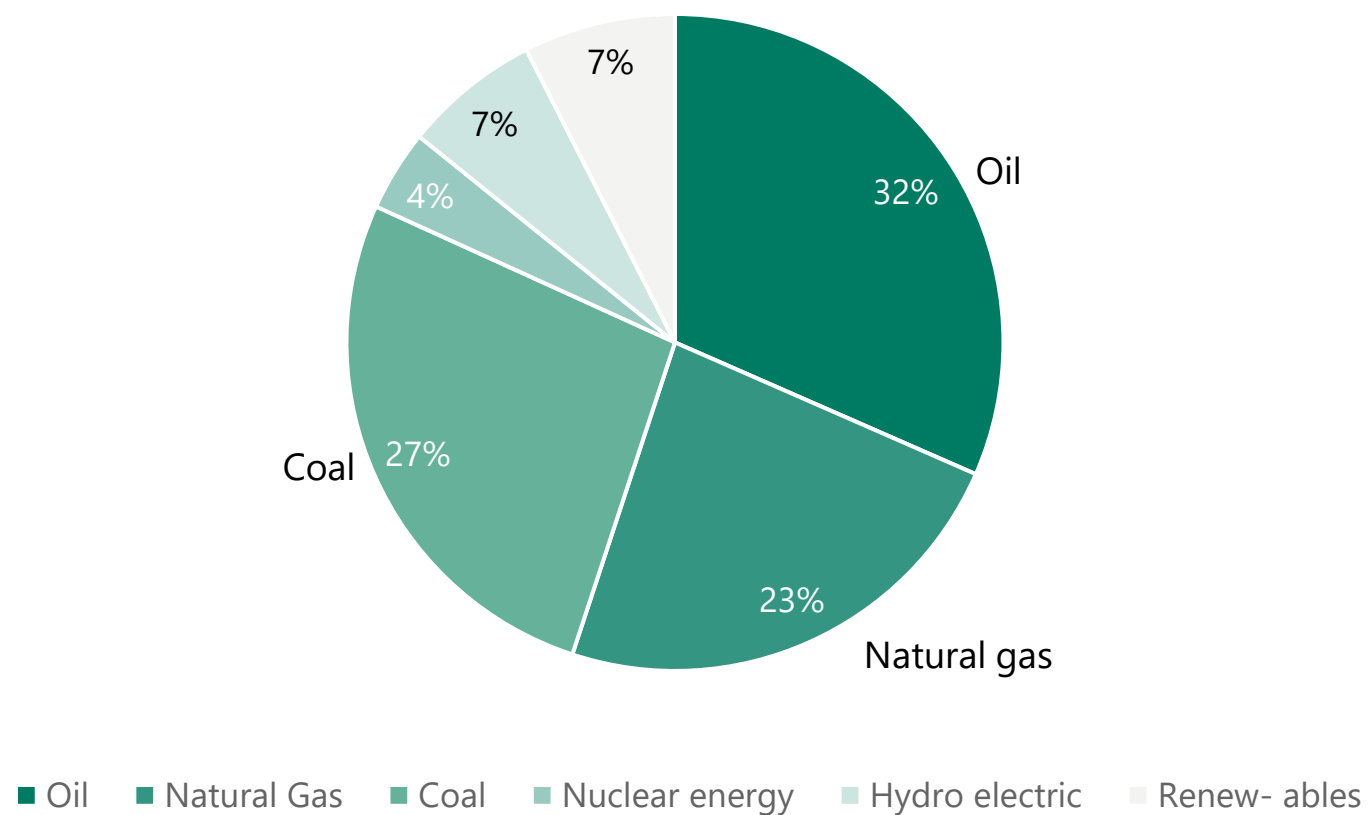
Energy prices rising

Oil prices moving higher



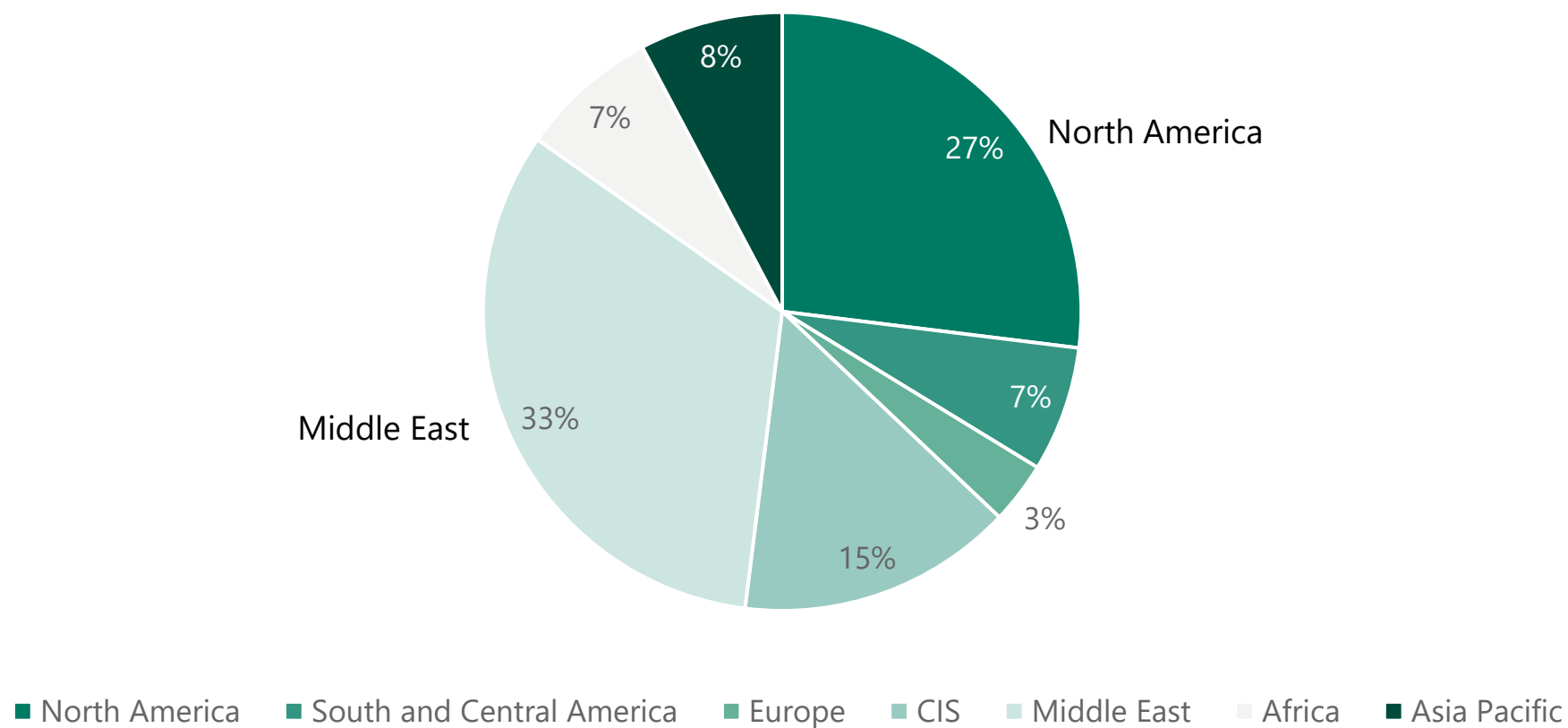
World energy consumption: Oil, Natural gas, and Coal

Global energy consumption by fuel, 2022

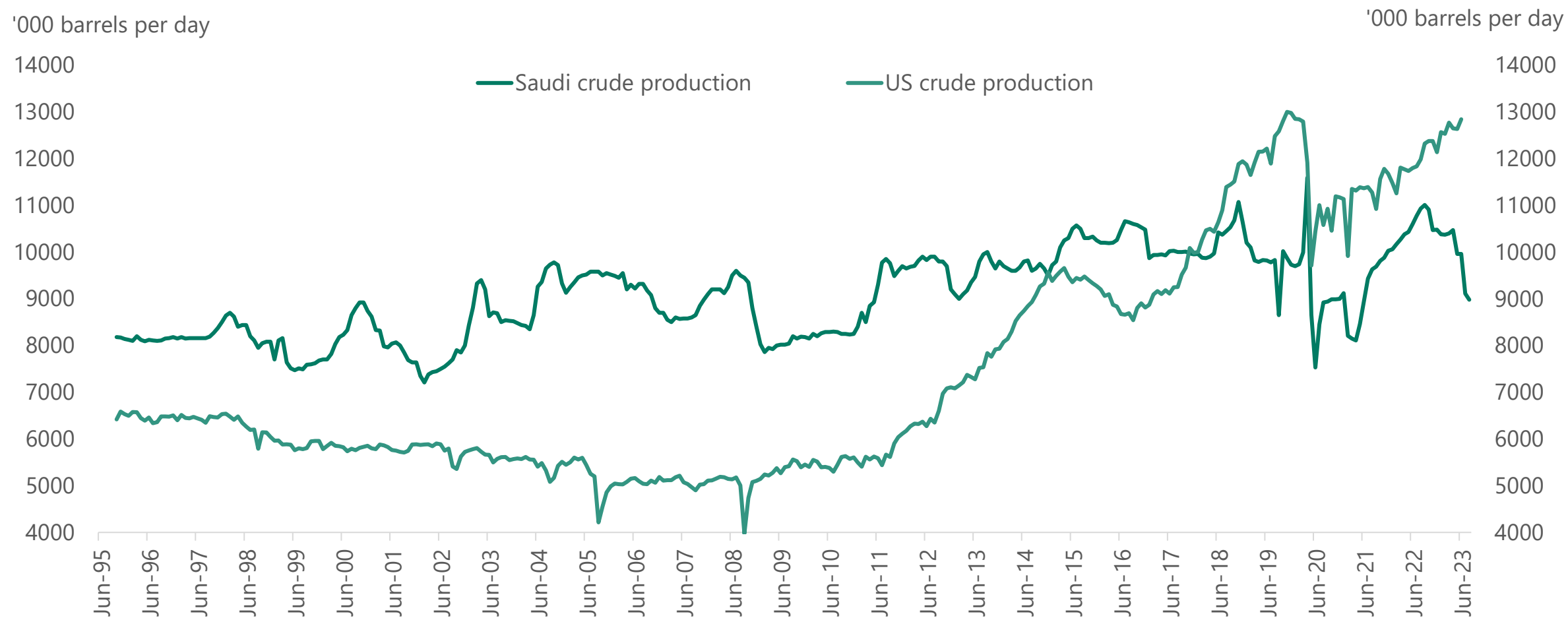


Global oil production

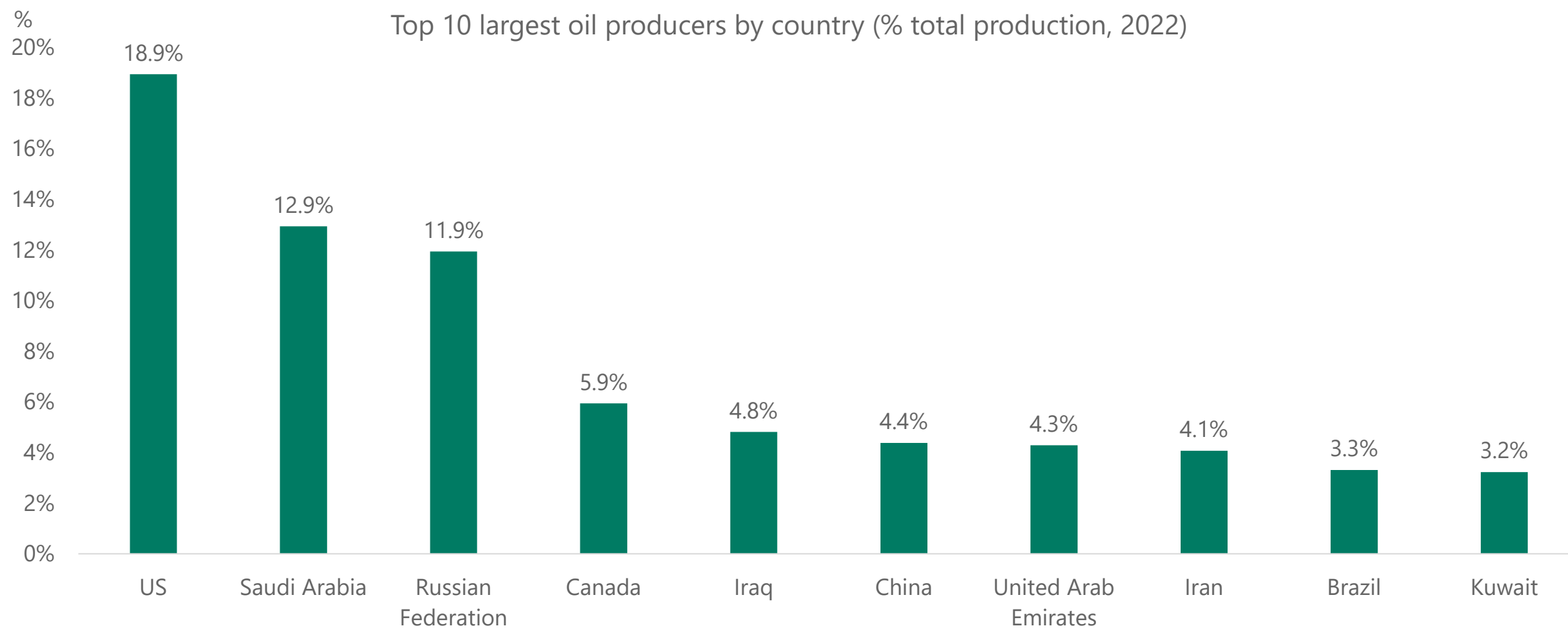
Oil production by region, 2022



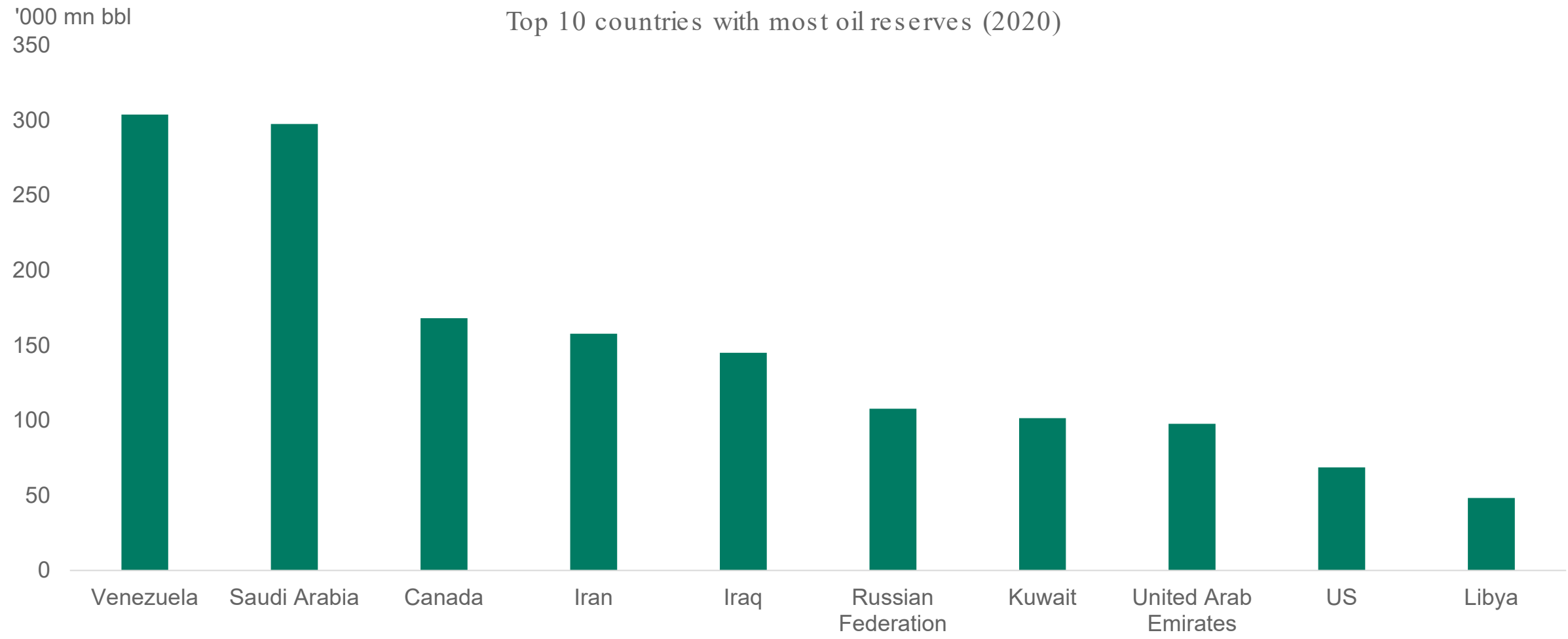
Rising US oil production offset by OPEC production cuts



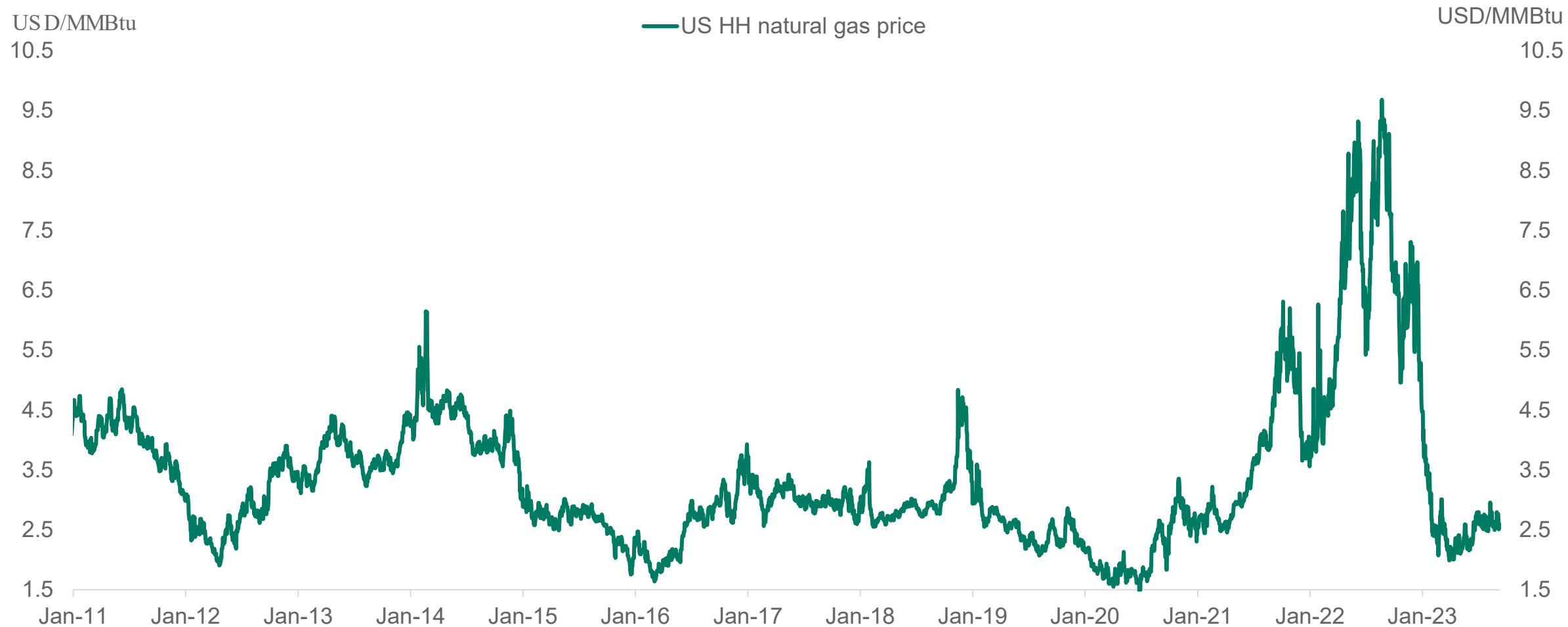
US was the largest producer of oil in 2022



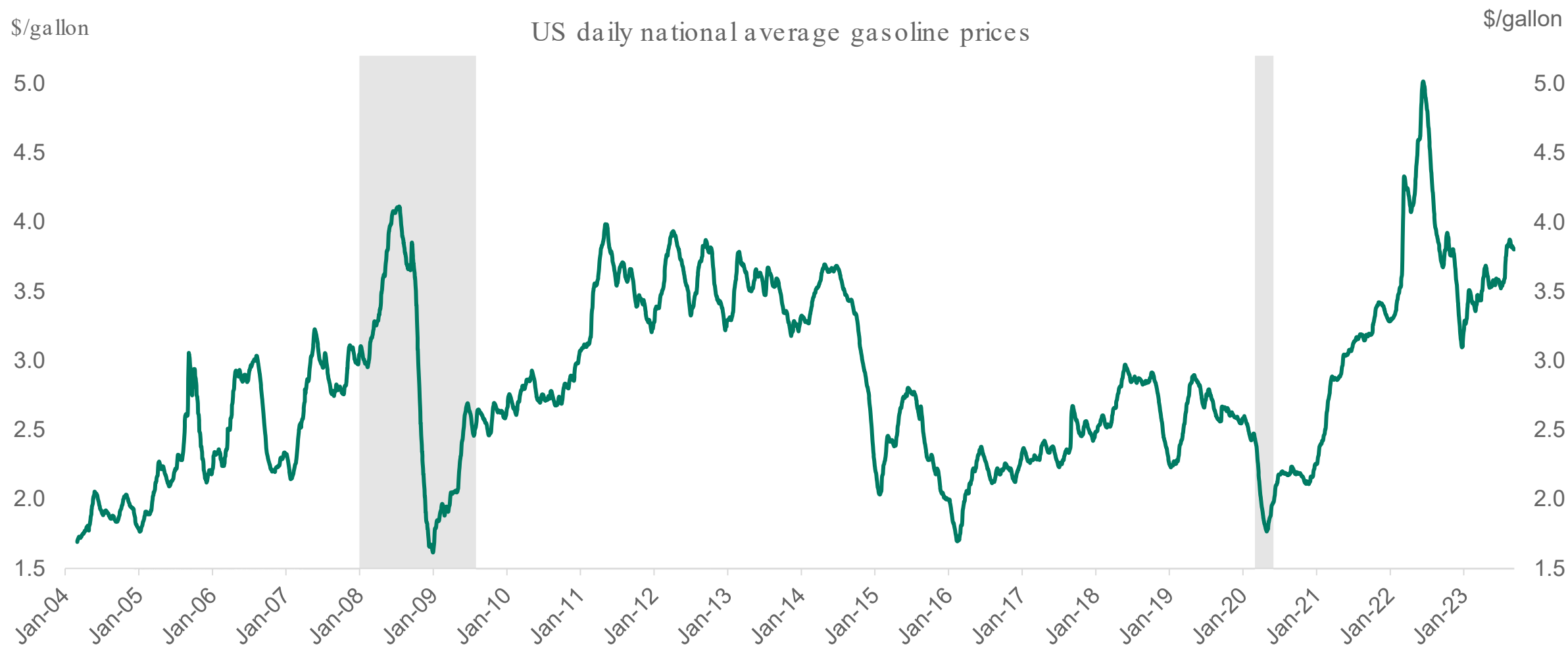
OPEC countries have a large share of oil reserves



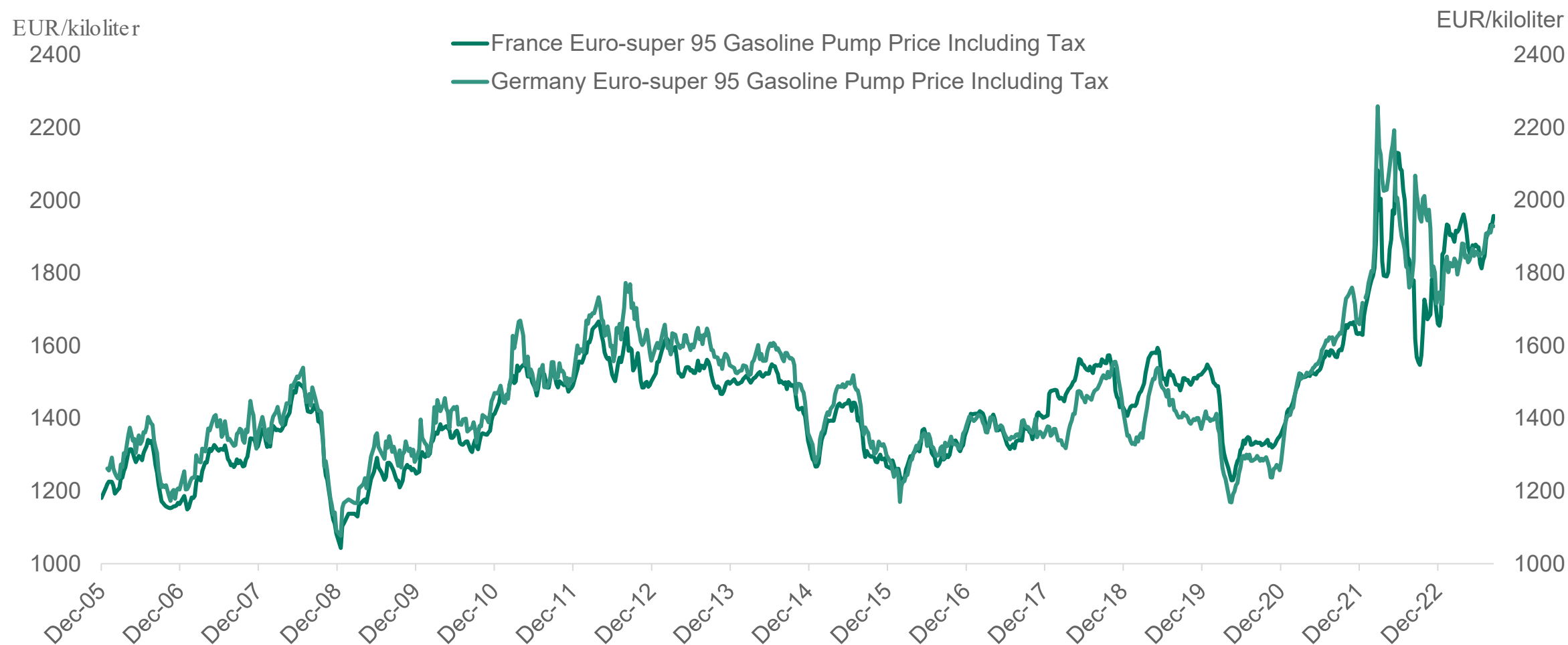
US natural gas prices



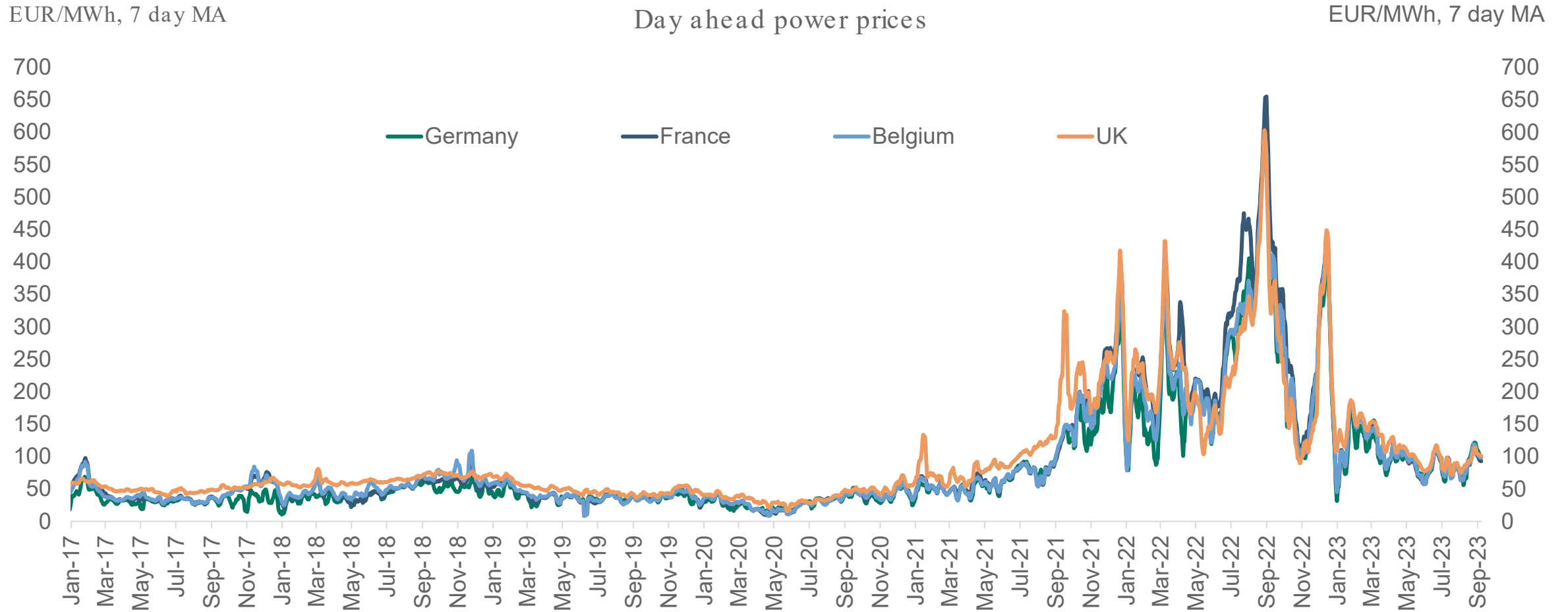
US retail gas prices is at 3.80



France and Germany retail gas prices

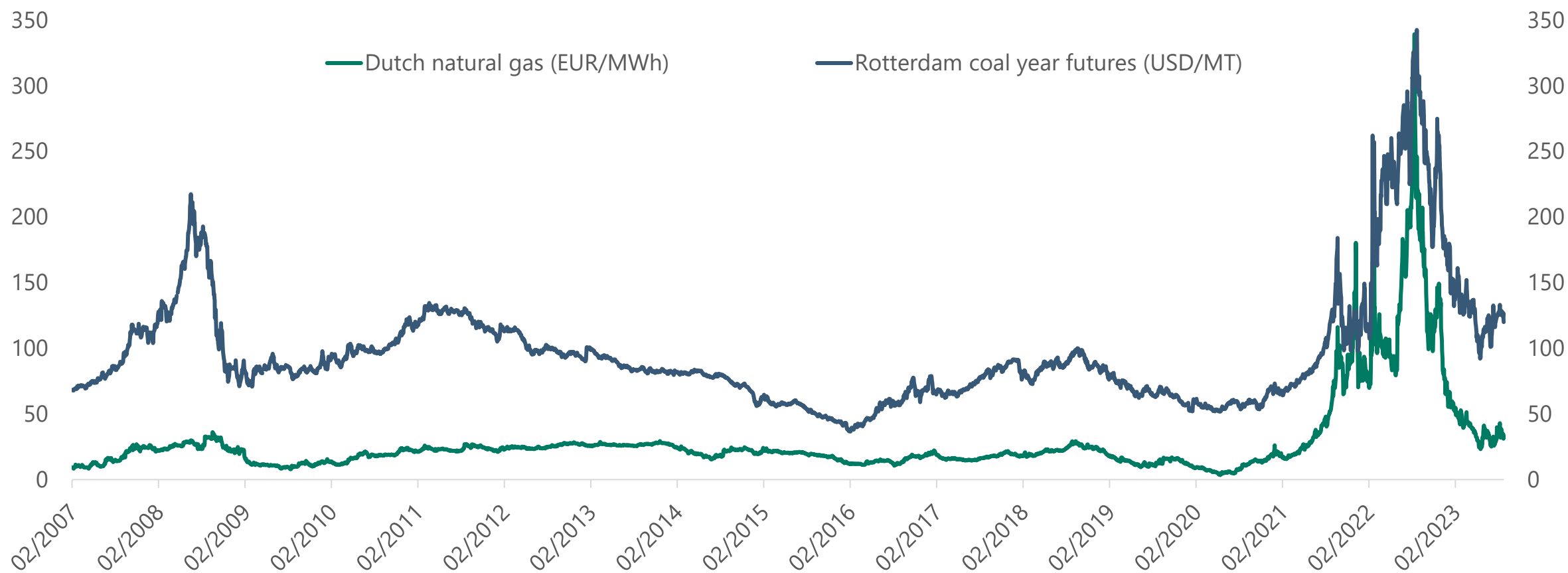


Europe: Electricity prices have come down from 2022 peaks

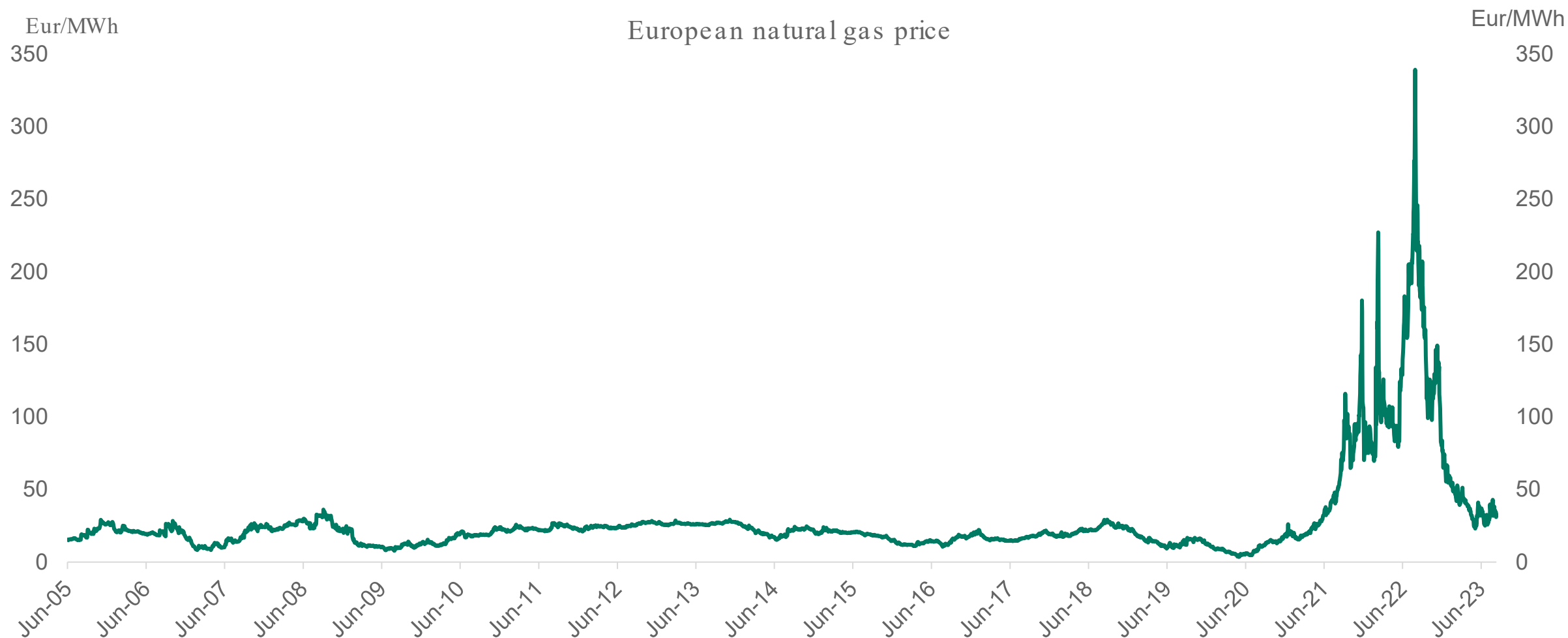


European energy prices

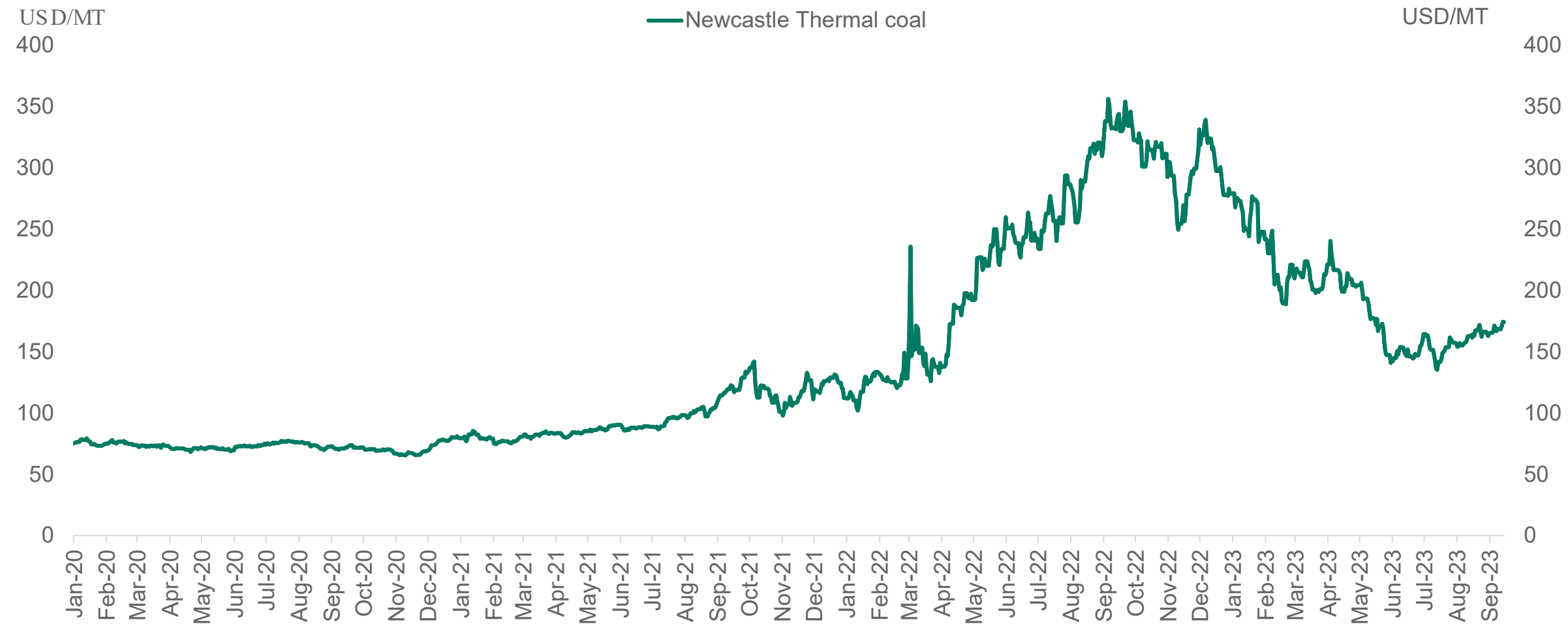
European energy price



European natural gas prices have come down



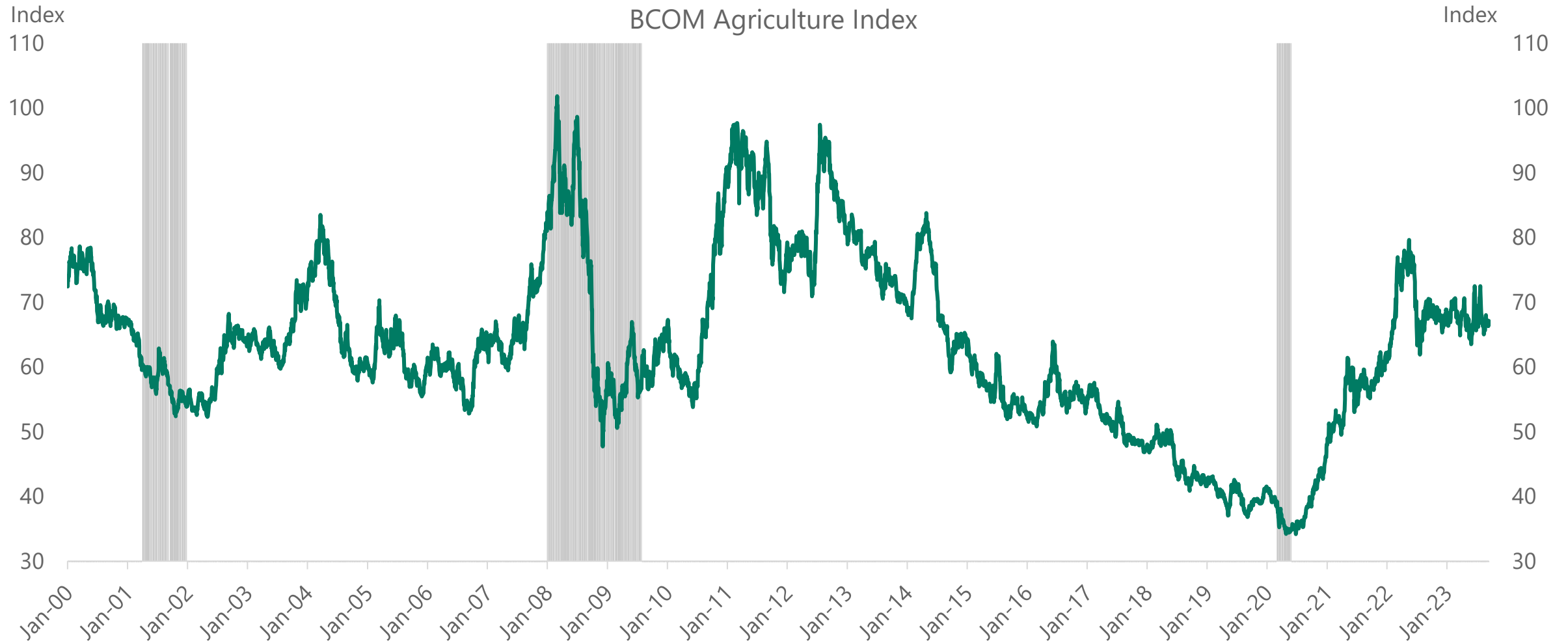
Thermal coal price



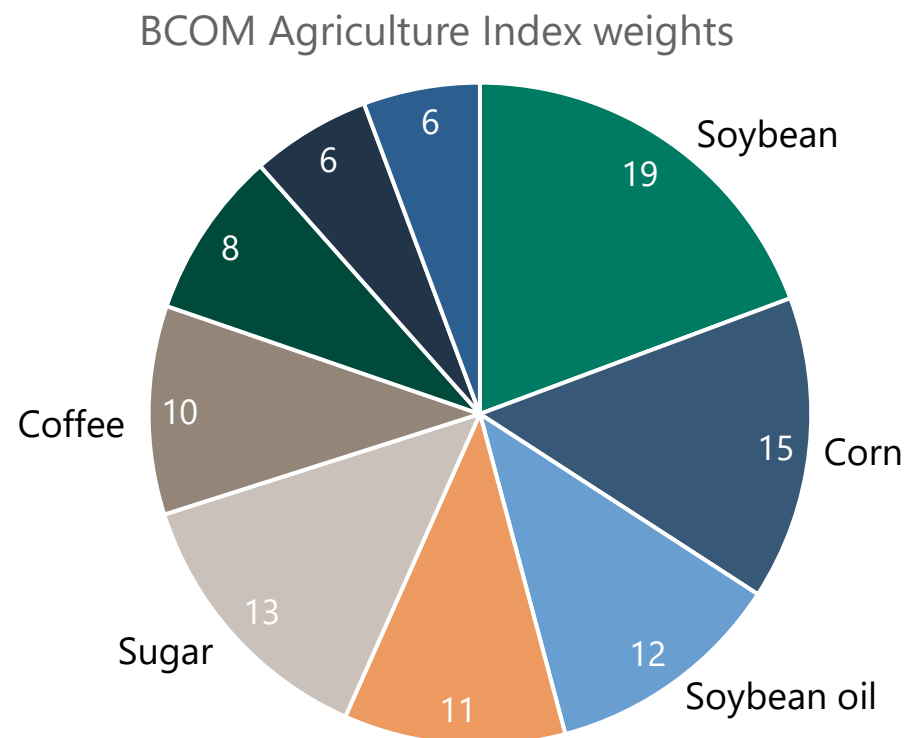
Source: Bloomberg, Apollo Chief Economist

Agriculture prices moving sideways

Agriculture prices have more than doubled since the pandemic started

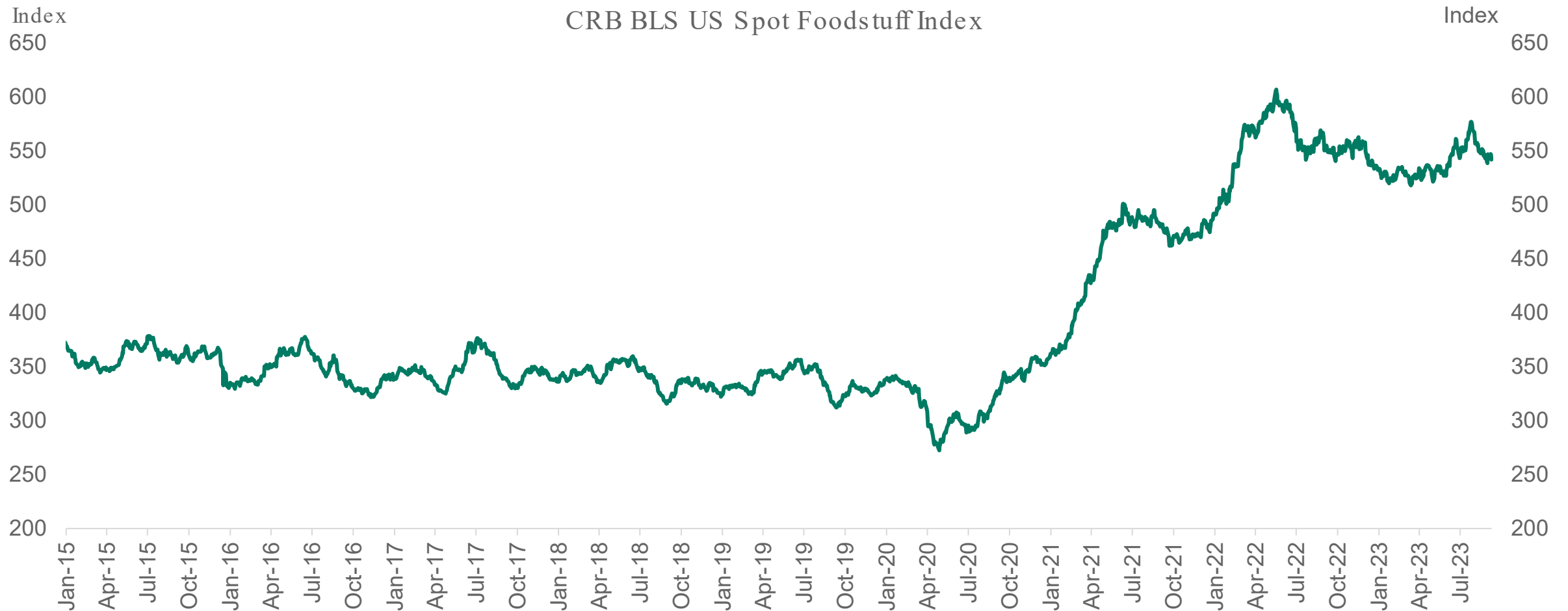


Agriculture index weights: Biggest components are Soybean, Corn, and Sugar

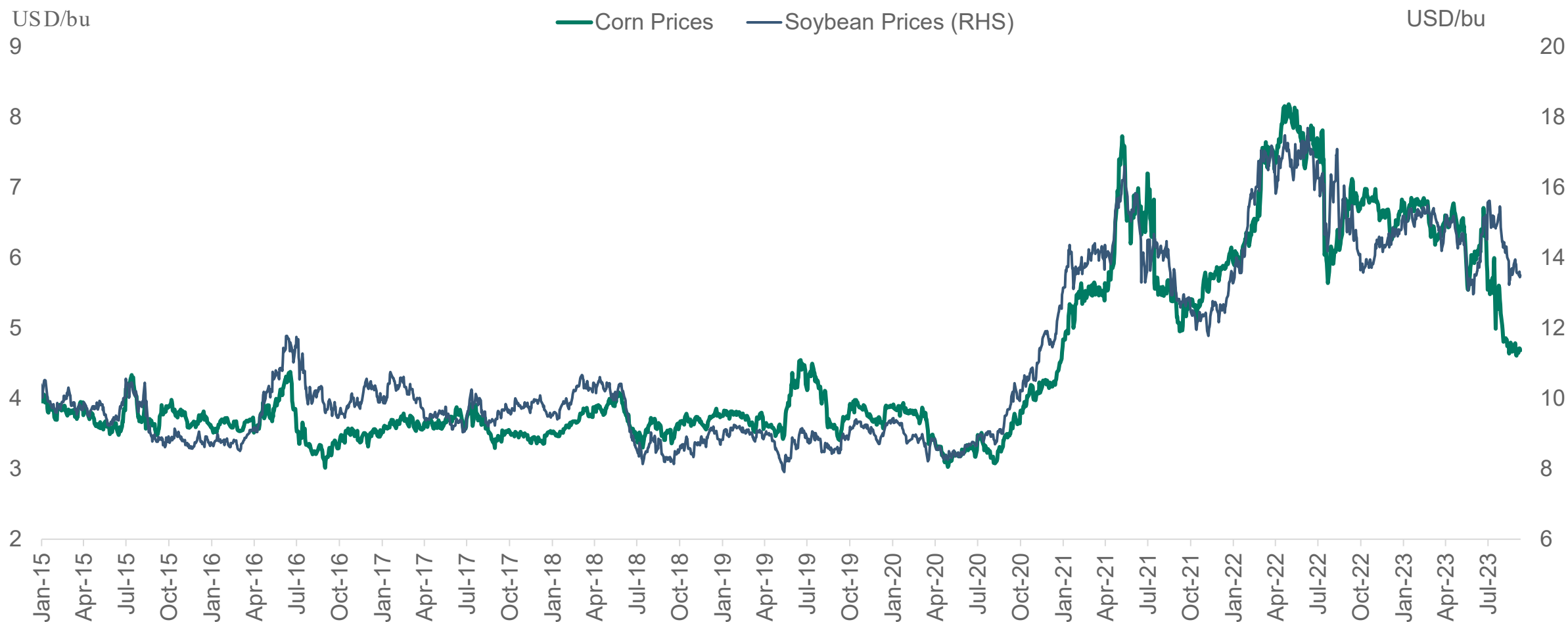


■ Soybean ■ Corn ■ Soybean Oil ■ Soybean Meal ■ Sugar ■ Coffee ■ Wheat ■ Cotton ■ Hard red winter wheat

US food prices have risen sharply since the pandemic



Some decline recently in corn and soybean prices



Spanish extra virgin olive oil prices at all time high due to drought

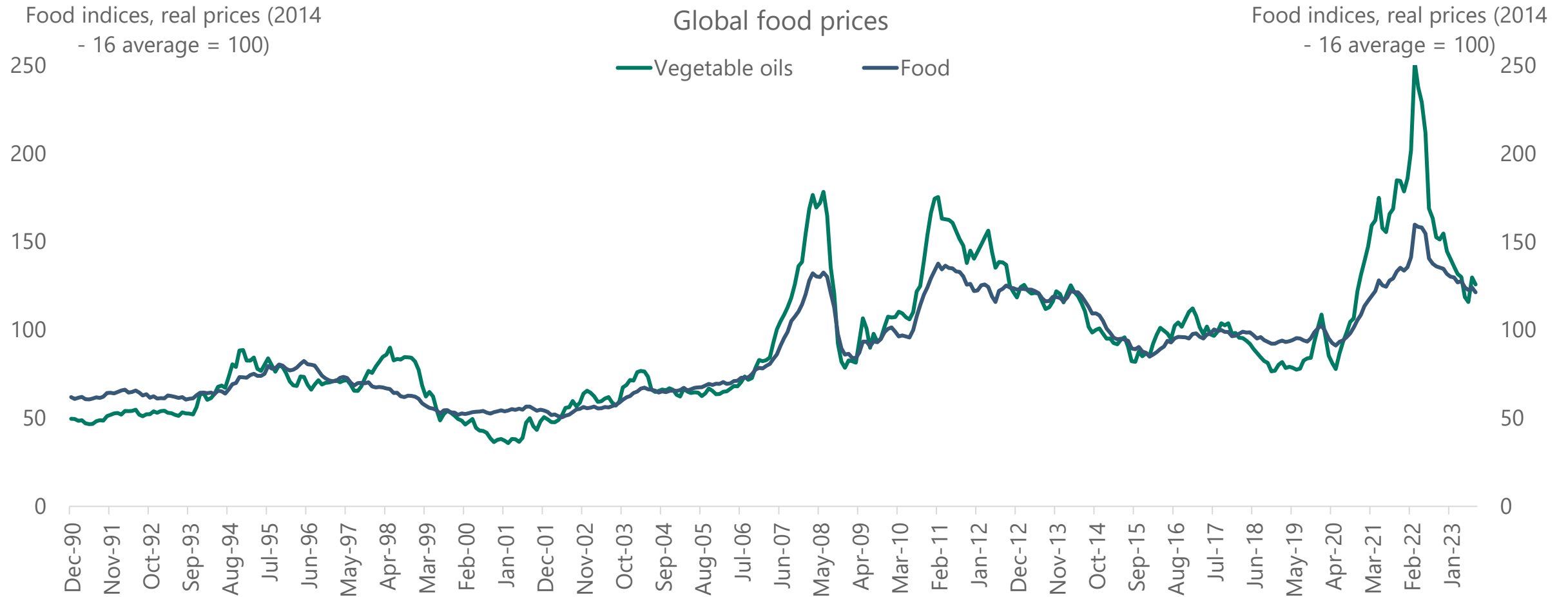


Sugar prices rising

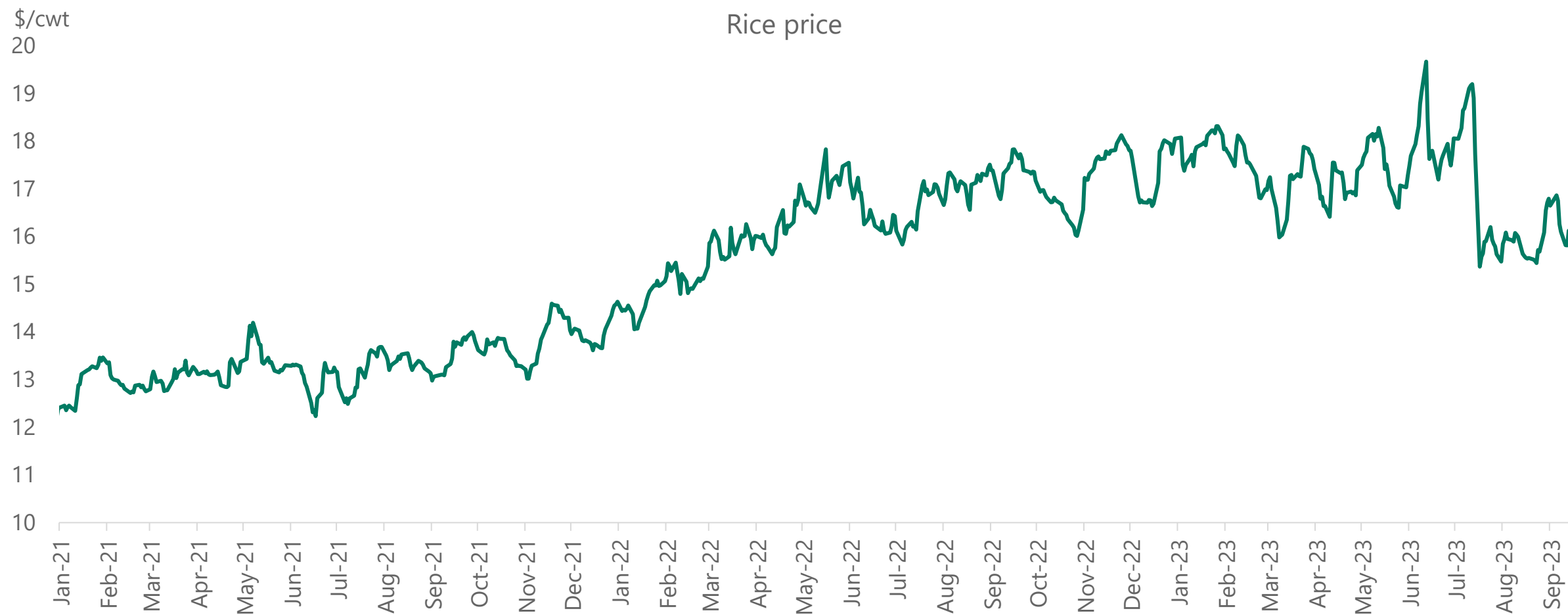


Source: Bloomberg, Apollo Chief Economist

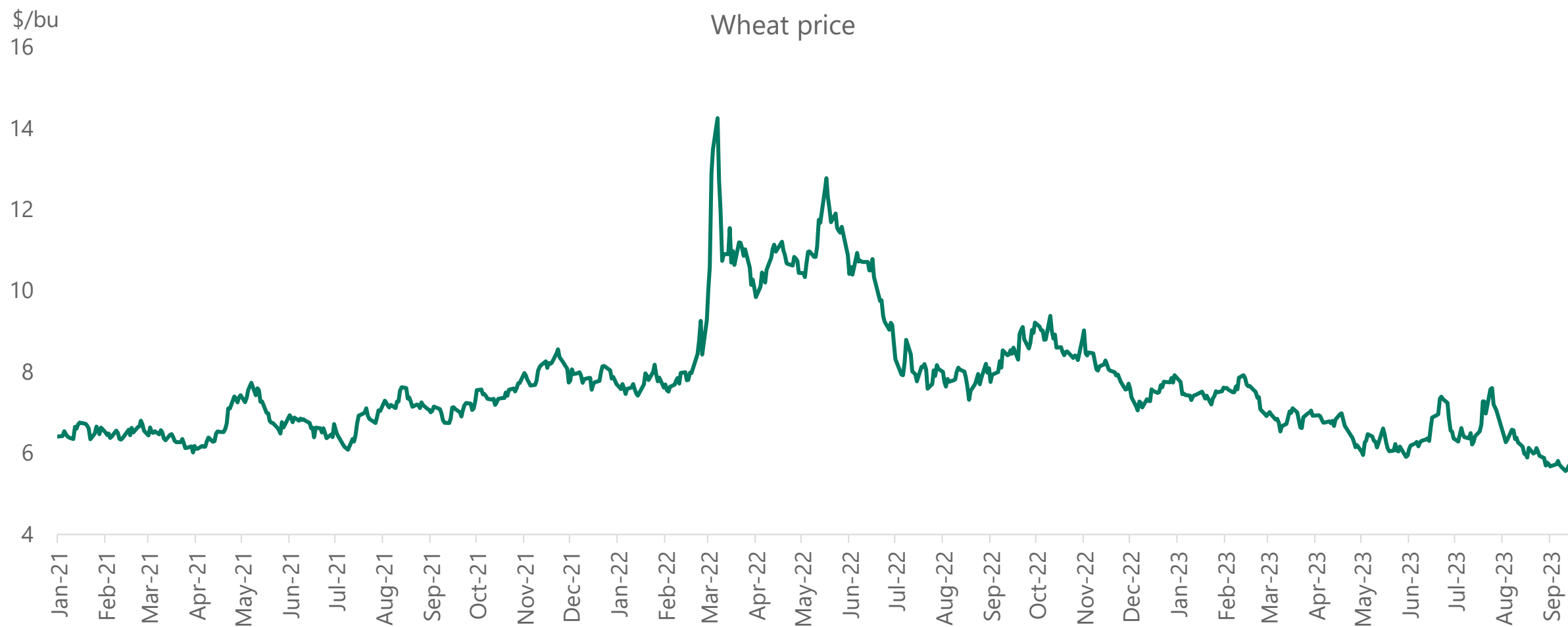
Global food prices down from peak but still higher than before the pandemic



Rice prices



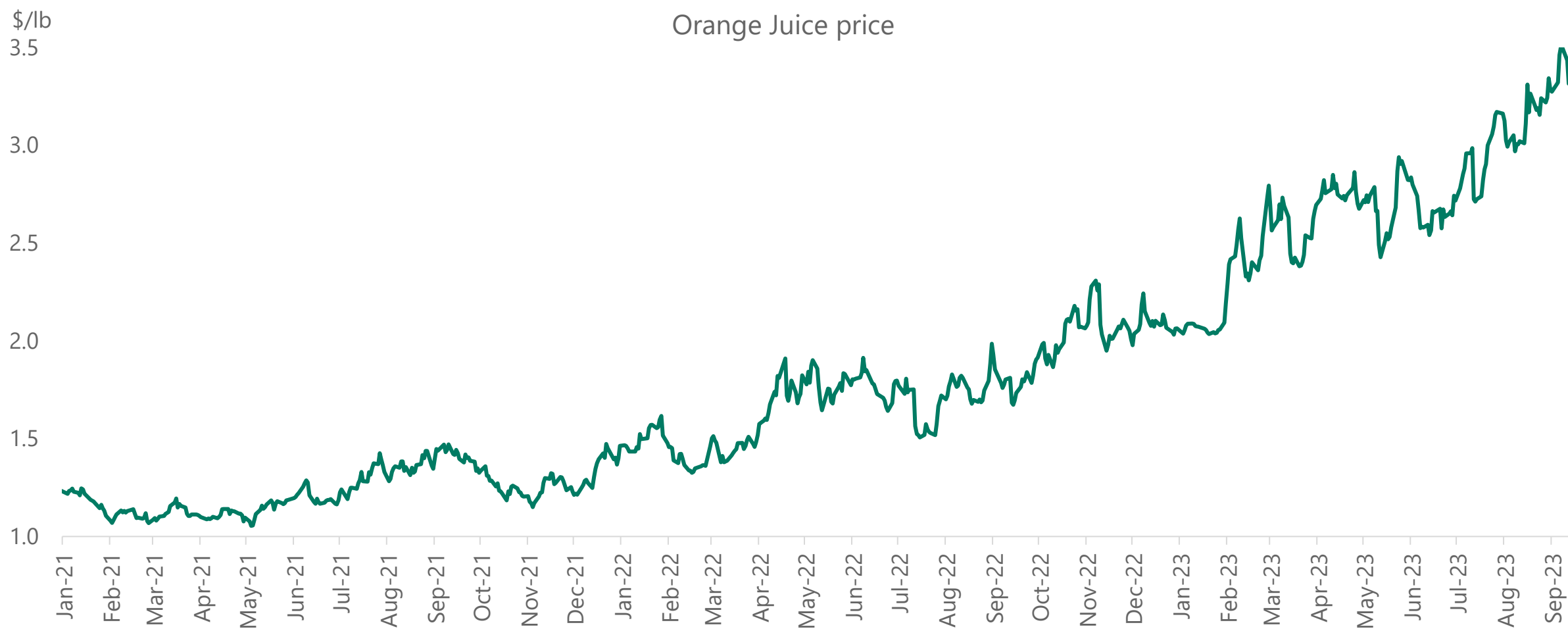
Wheat prices coming down



Coffee prices approaching pre-pandemic level



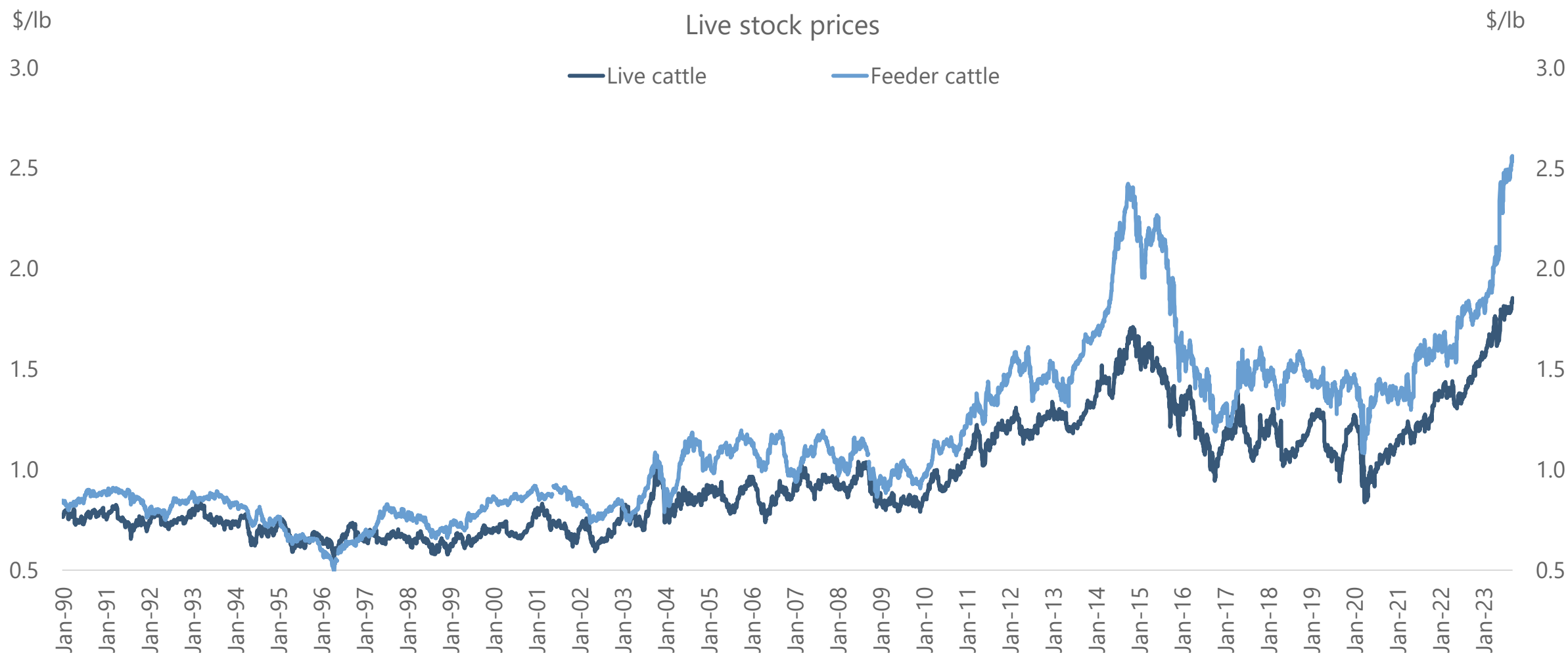
Orange Juice prices have more than trippled since 2021



Cocoa prices rising



Live stock prices rising



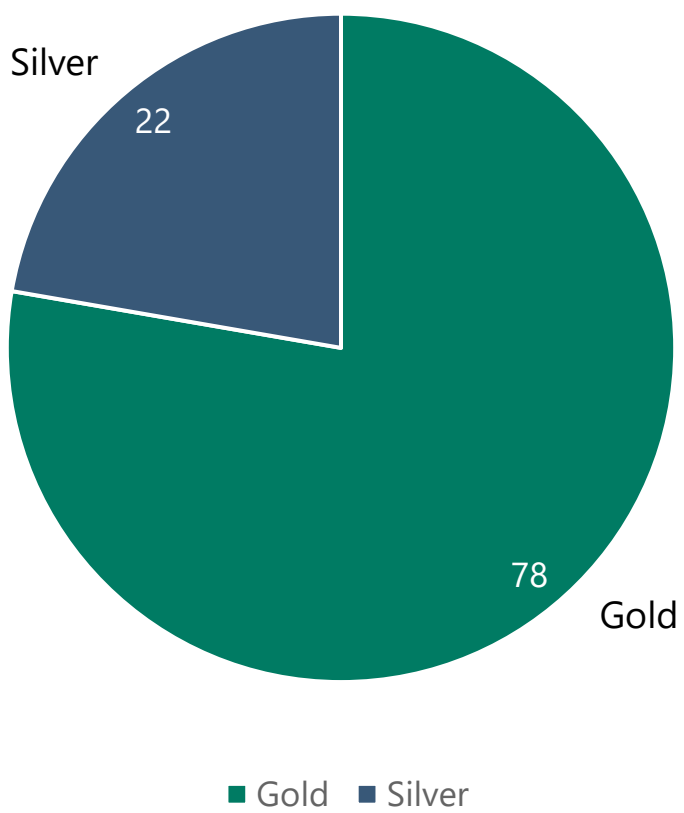
Metals prices declining

Metals prices coming falling

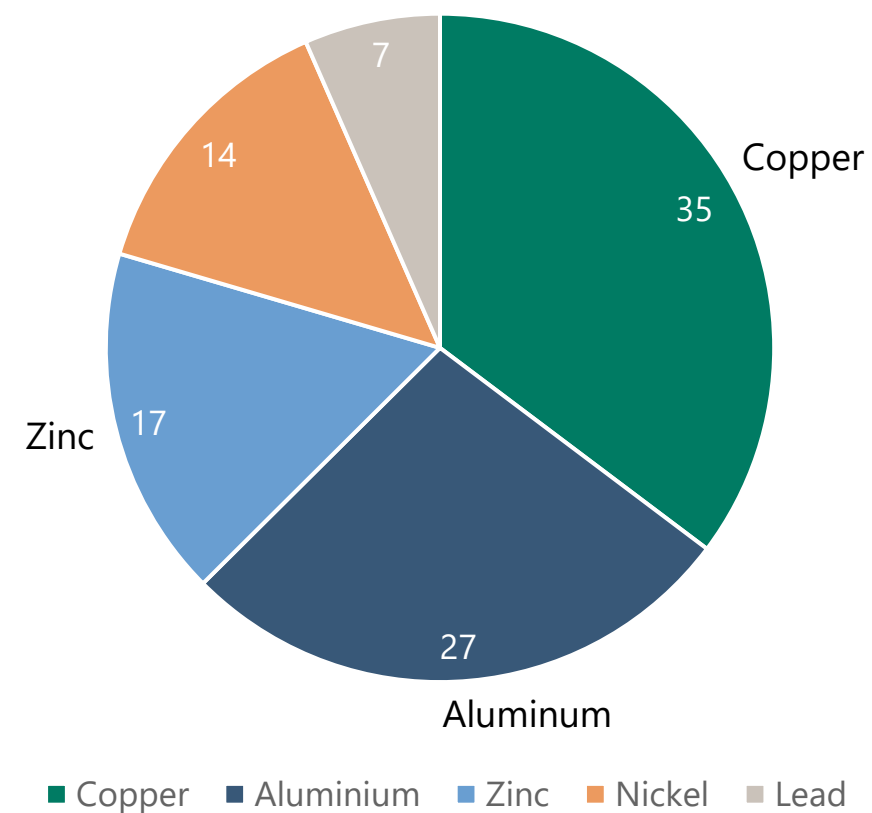


Weights in indices for precious metals and industrial metals

BCOM Precious metals weights



BCOM Industrial metals weights



Copper prices



Aluminum prices



Gold price



Source: Bloomberg, Apollo Chief Economist



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Torsten Slok joined Apollo in August 2020 as Chief Economist and he leads Apollo's macroeconomic and market analysis across the platform.

Prior to joining, Mr. Slok worked for 15 years as Chief Economist at Deutsche Bank where his team was top ranked in the annual Institutional Investor survey for a decade. Prior to joining Deutsche Bank Mr. Slok worked at the IMF in Washington, DC and at the OECD in Paris.

Mr. Slok has a Ph.D in Economics and has studied at the University of Copenhagen and Princeton University.