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Outlook for commodity prices:  
Slowing global growth putting downward  
pressure on commodity prices. Gold is the exception.

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**Apollo Global Management**

July 2024

Unless otherwise noted, information as of July 2024

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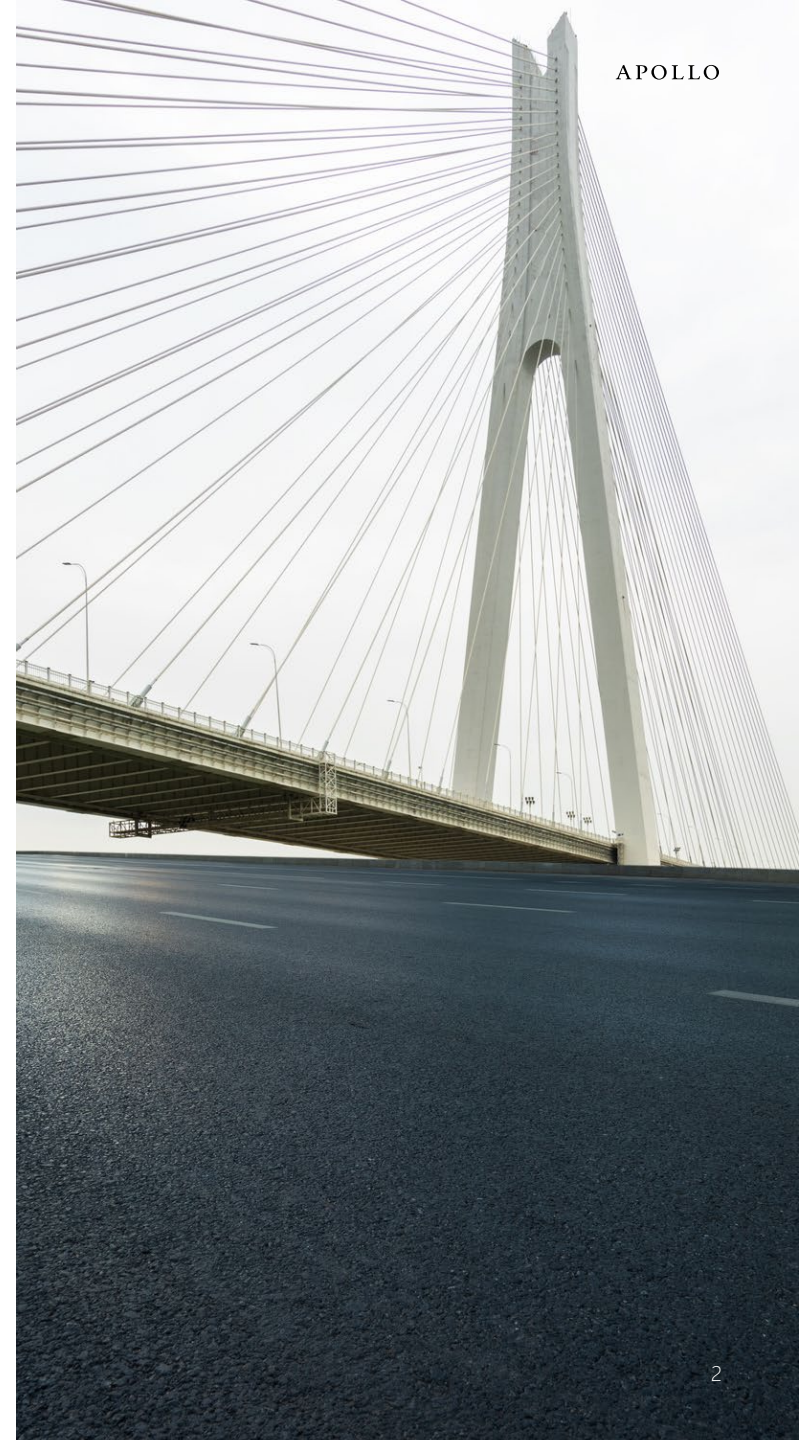
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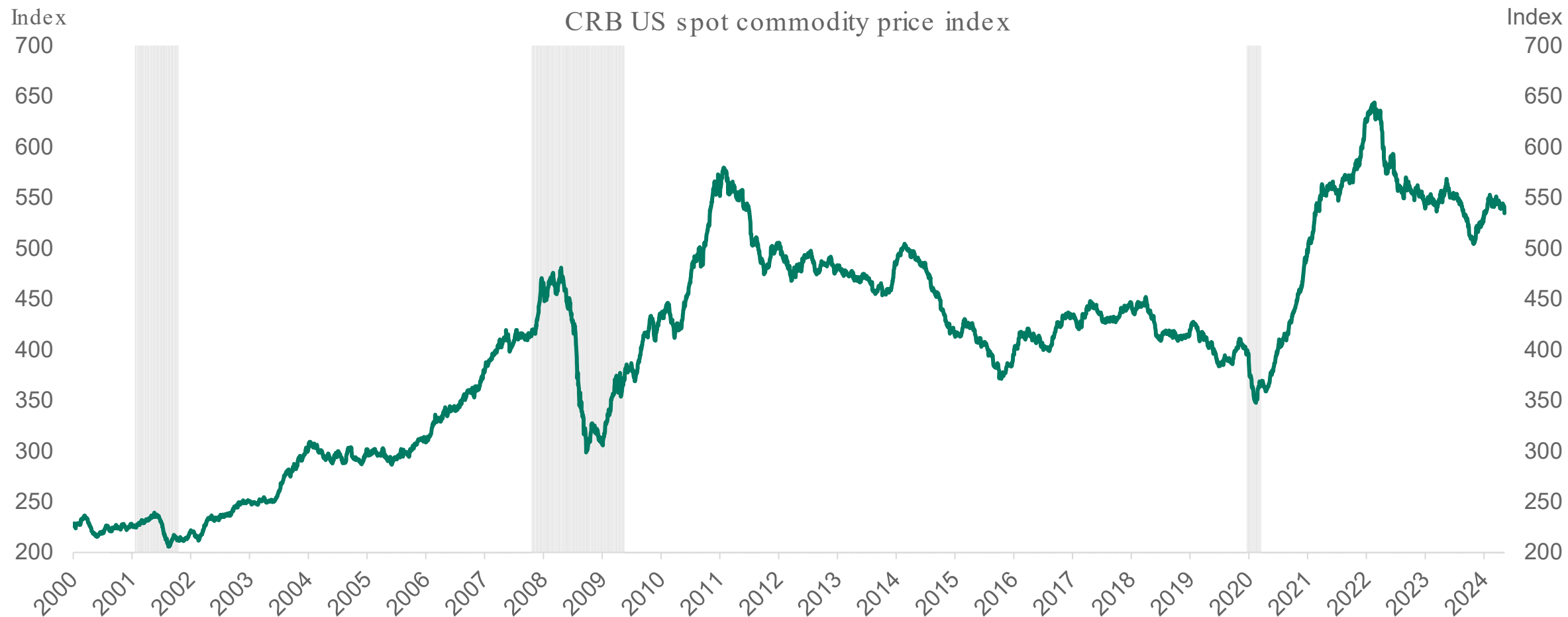


# Overview

Slowing growth in China, Europe, and US is weighing on commodity prices:

- 1) Energy prices declining
- 2) Agriculture prices falling
- 3) Industrial metals prices lower. Precious metals prices higher.

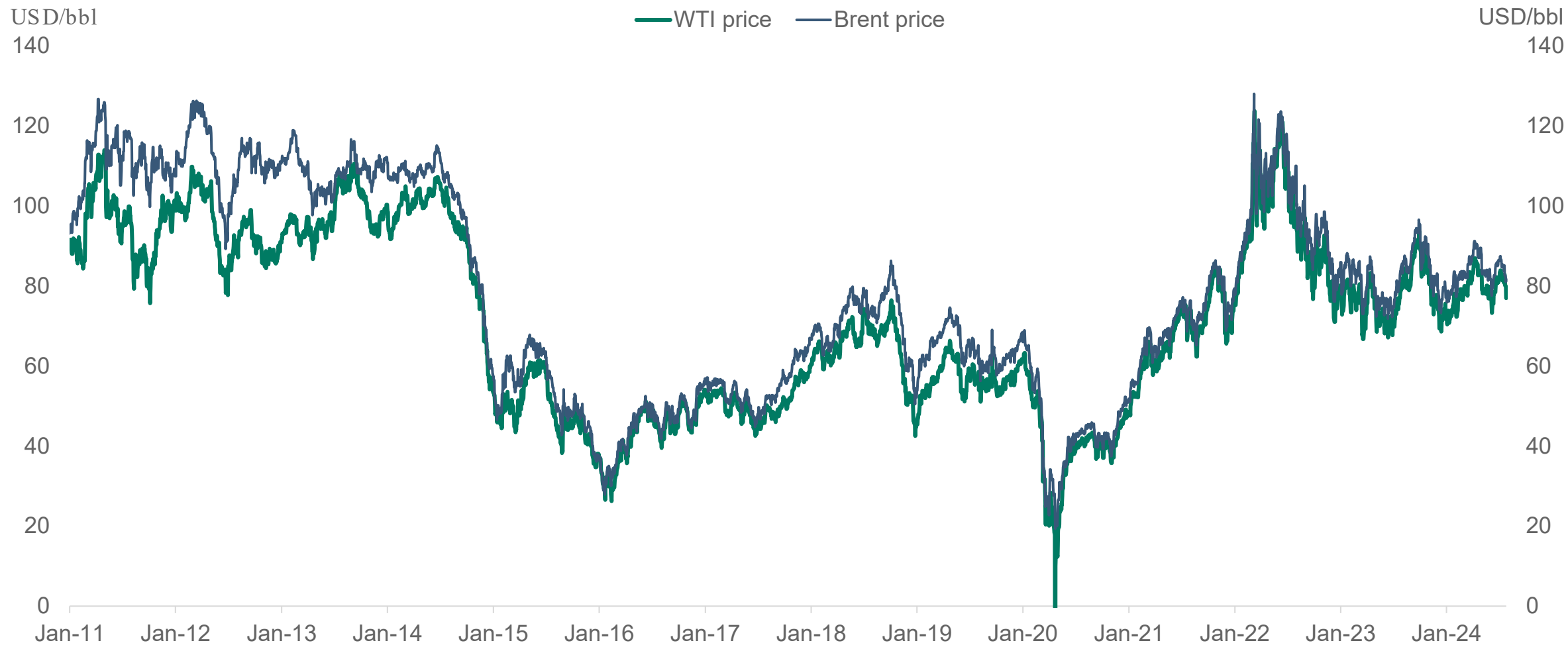
# Commodity prices coming down because of slowing global growth, especially in China



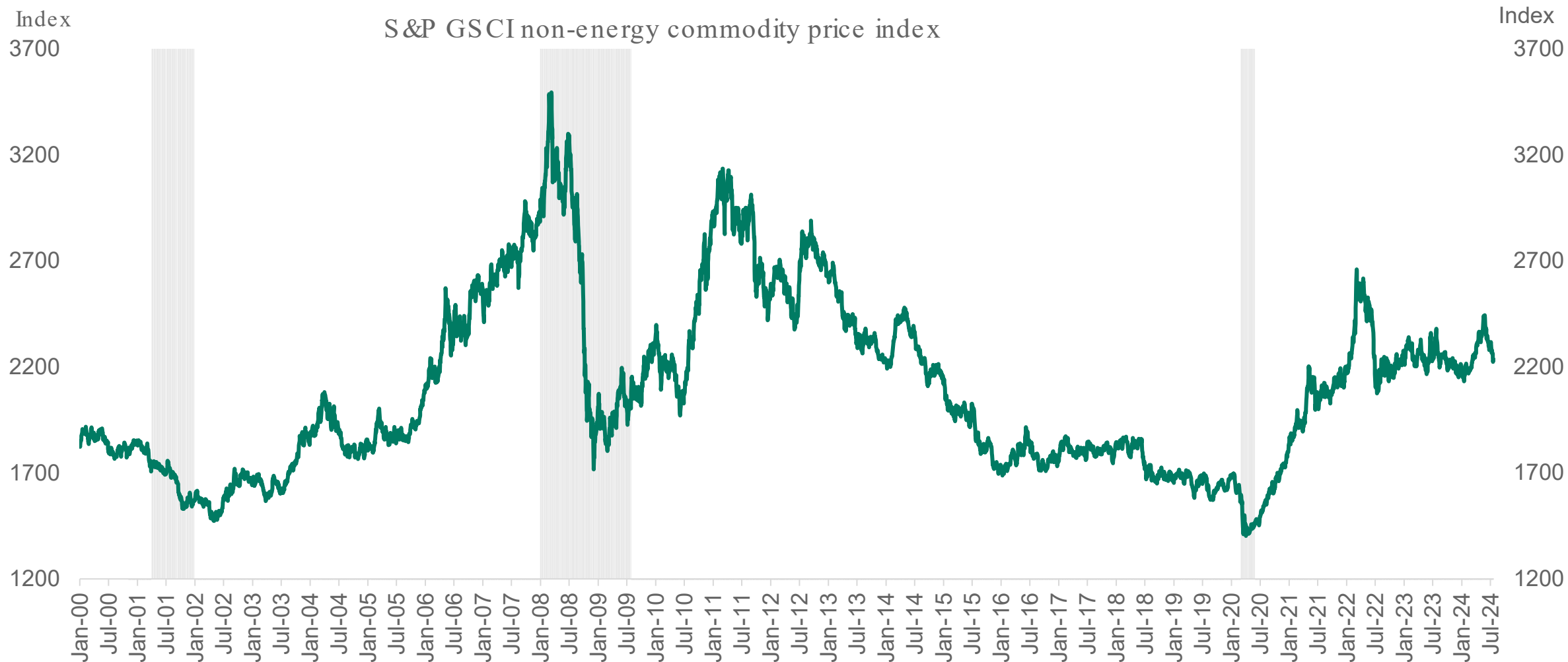
# Overview



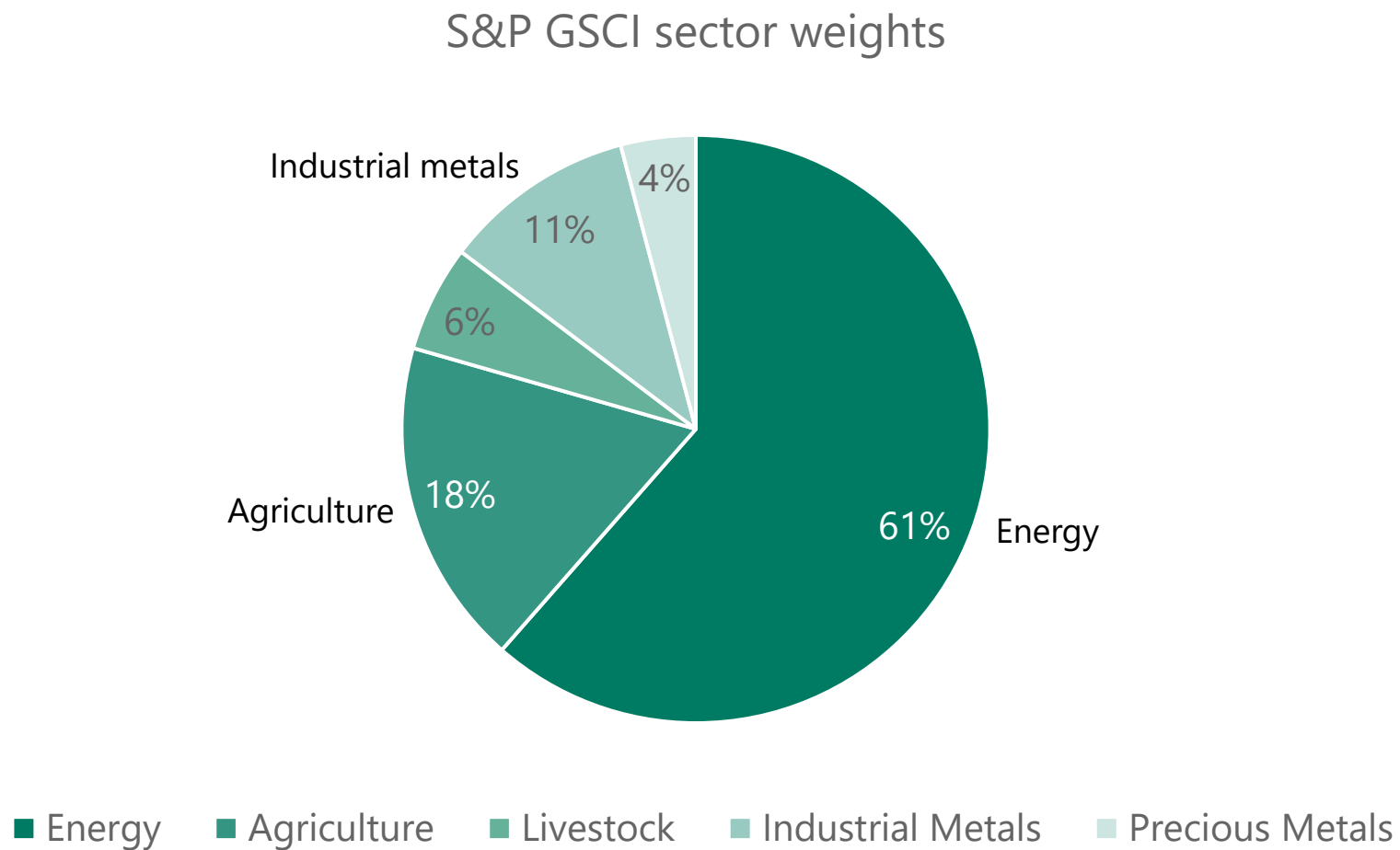
# Weaker global growth weighing on oil prices



# Weaker global growth weighing on non-energy commodity prices



# Energy has the biggest weight in commodity price indices

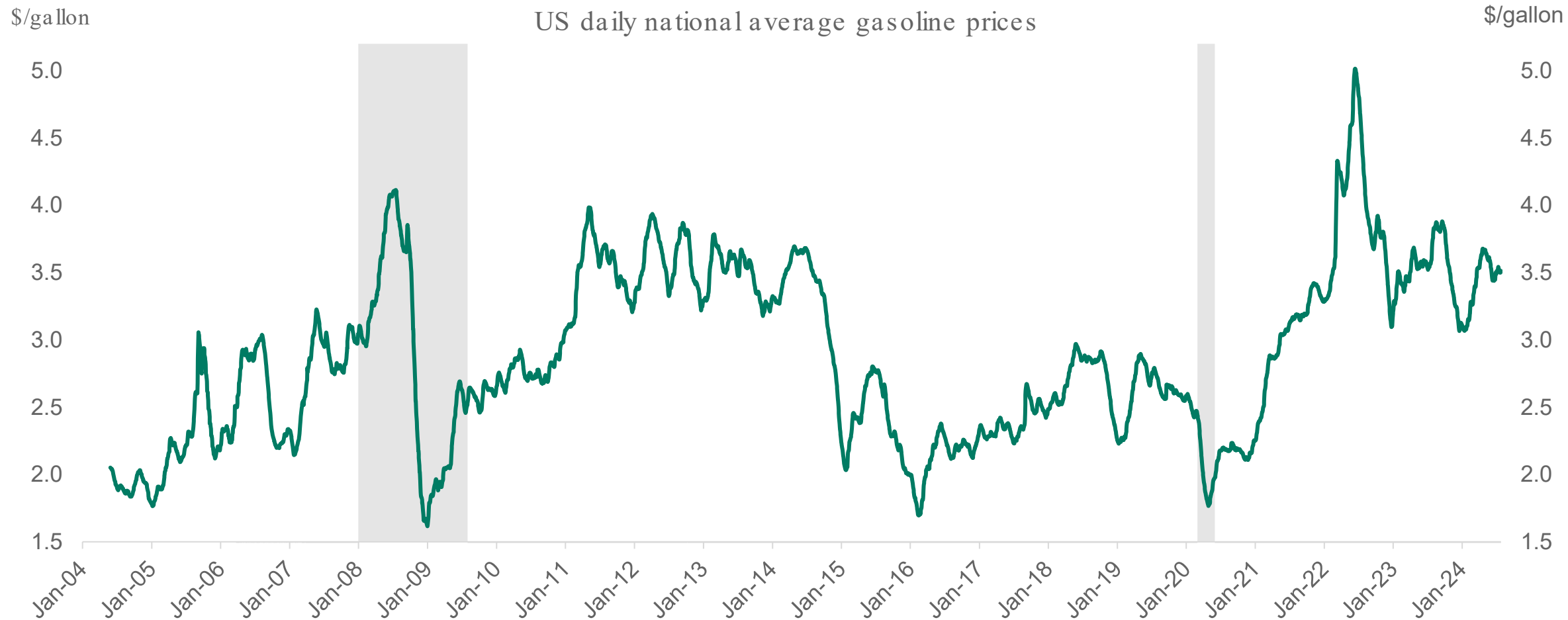




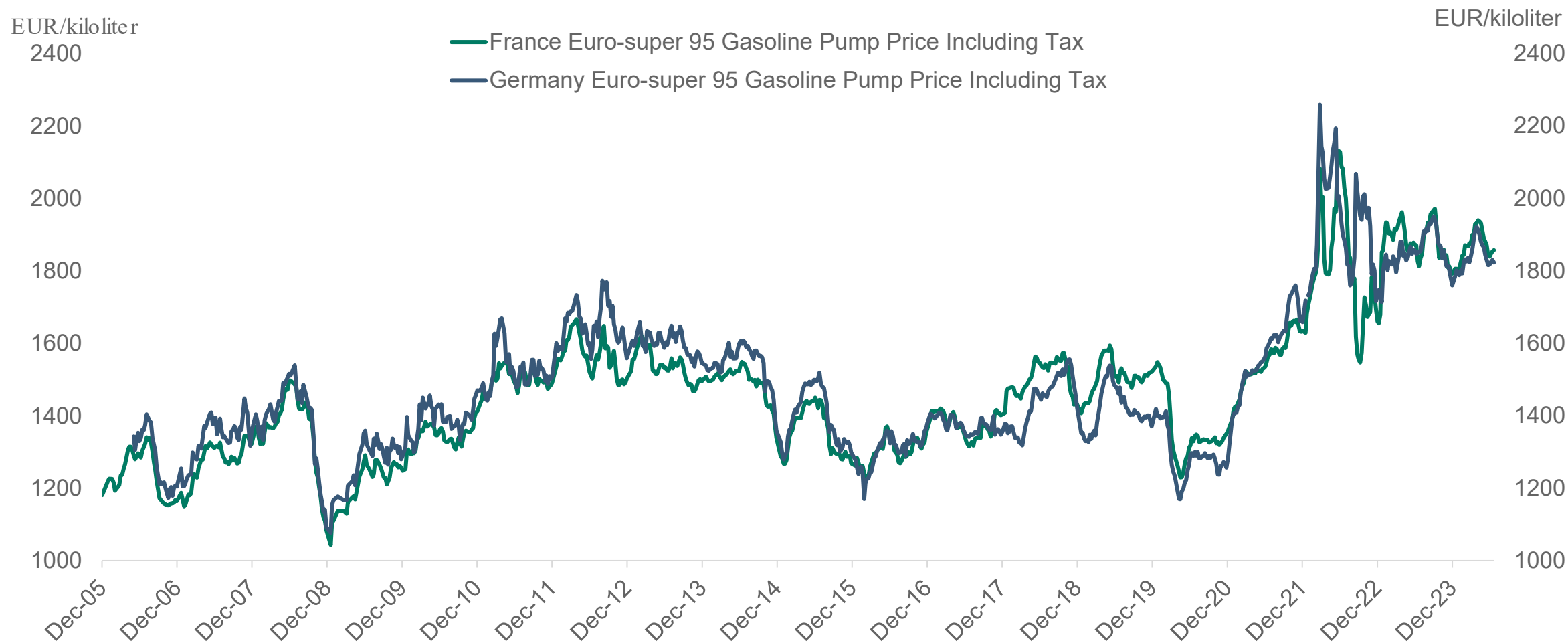
# Energy prices



# US retail gas prices



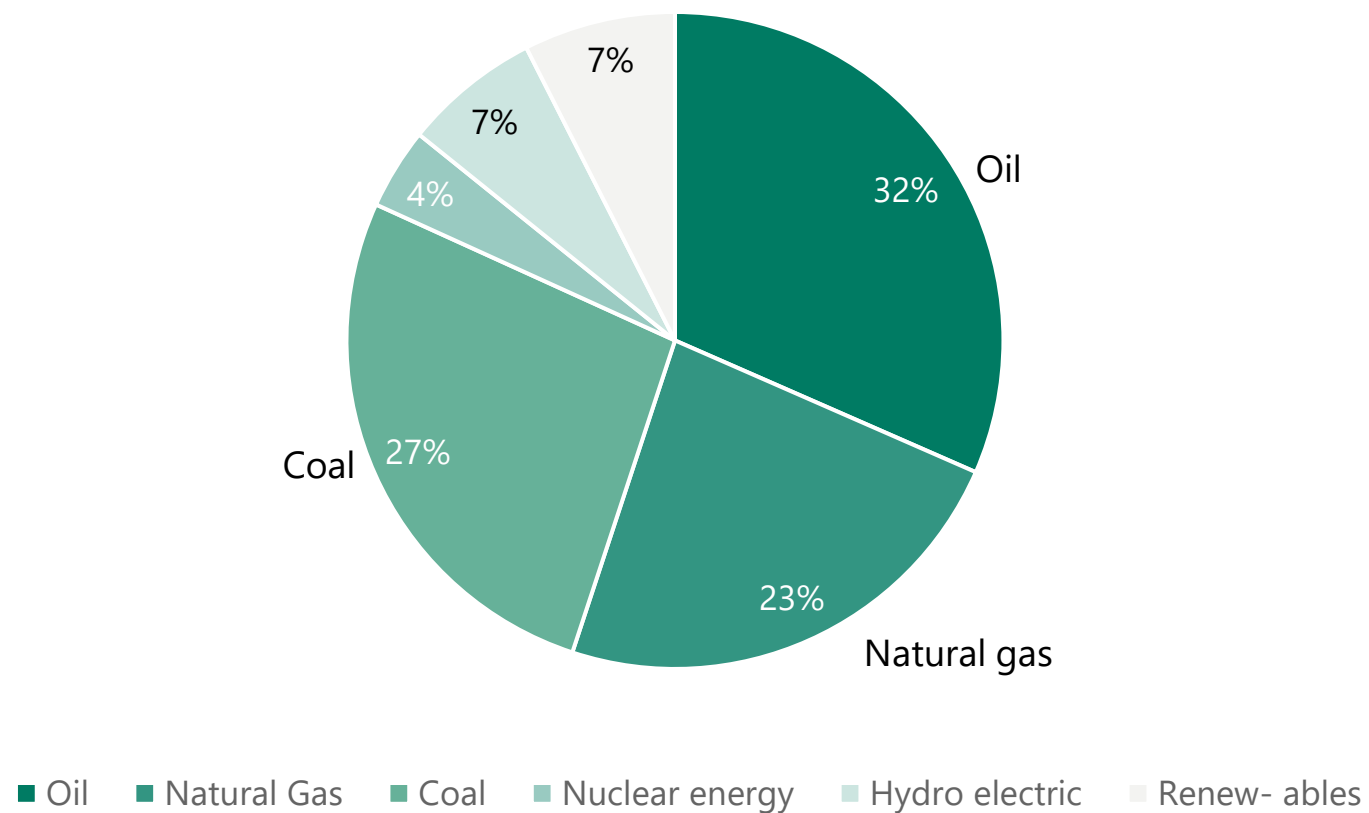
# France and Germany retail gas prices



Source: Bloomberg, Apollo Chief Economist (ECOBGTFR Index, ECOBGTGE Index)

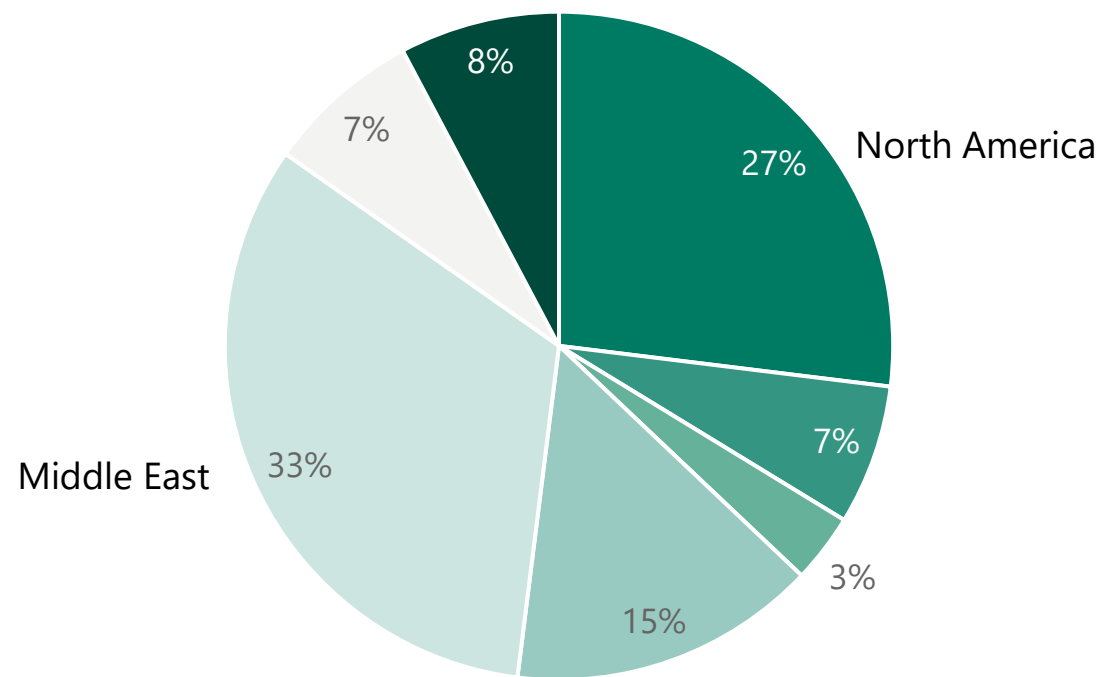
# World energy consumption: Oil, Natural gas, and Coal

Global energy consumption, by fuel, 2022



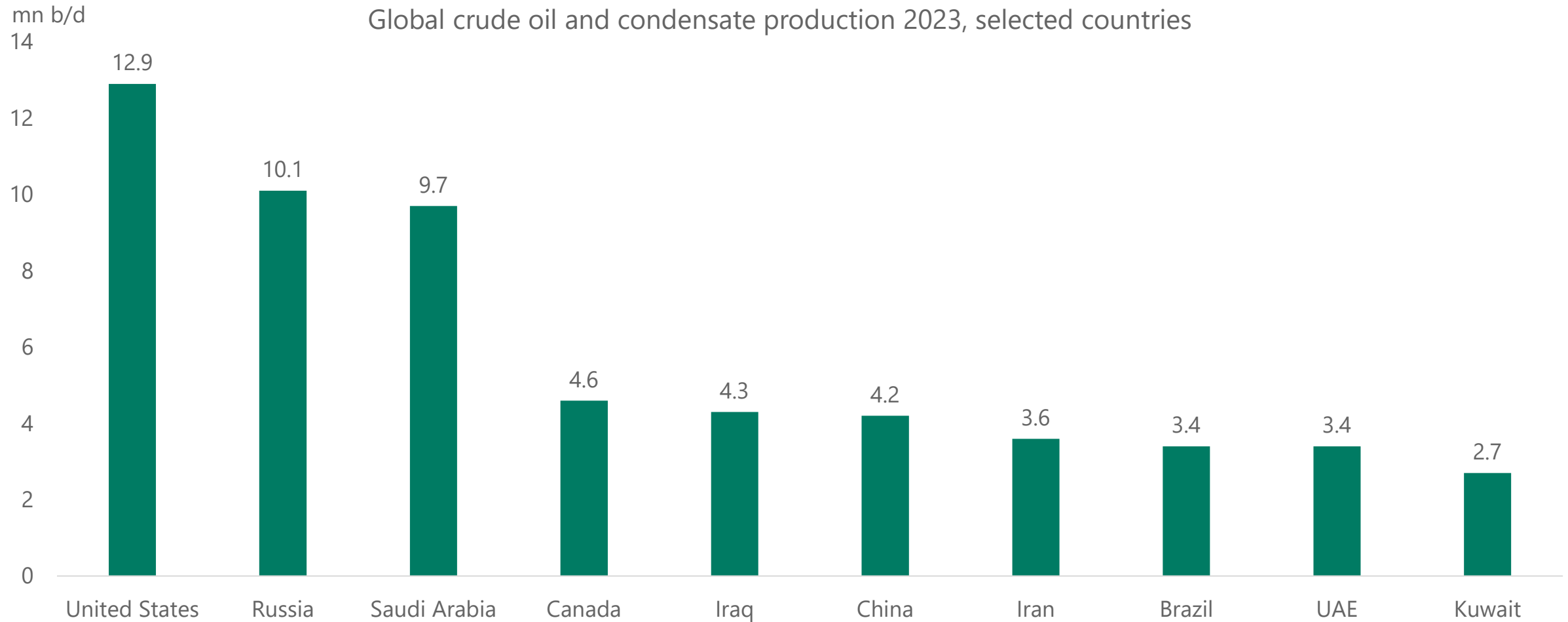
# Global oil production by region

Oil production, by region, 2022

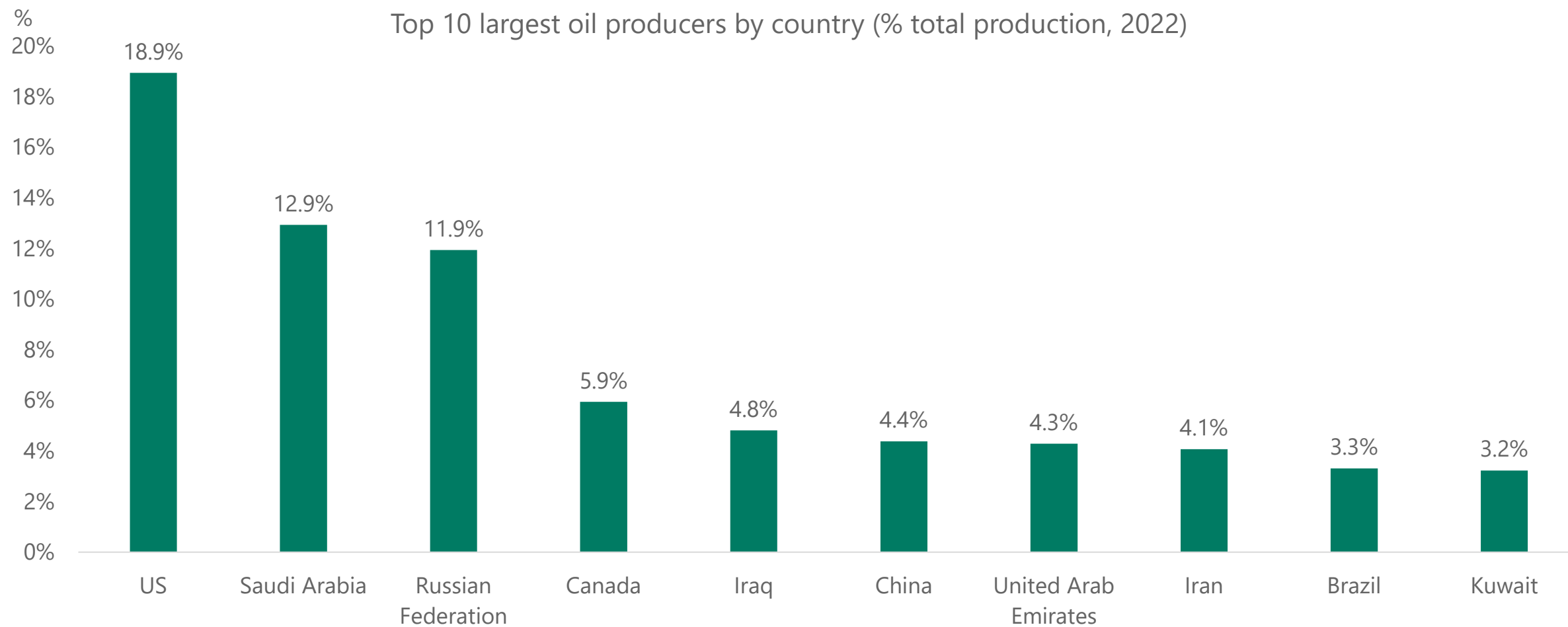


■ North America 
 ■ South and Central America 
 ■ Europe 
 ■ CIS 
 ■ Middle East 
 ■ Africa 
 ■ Asia Pacific

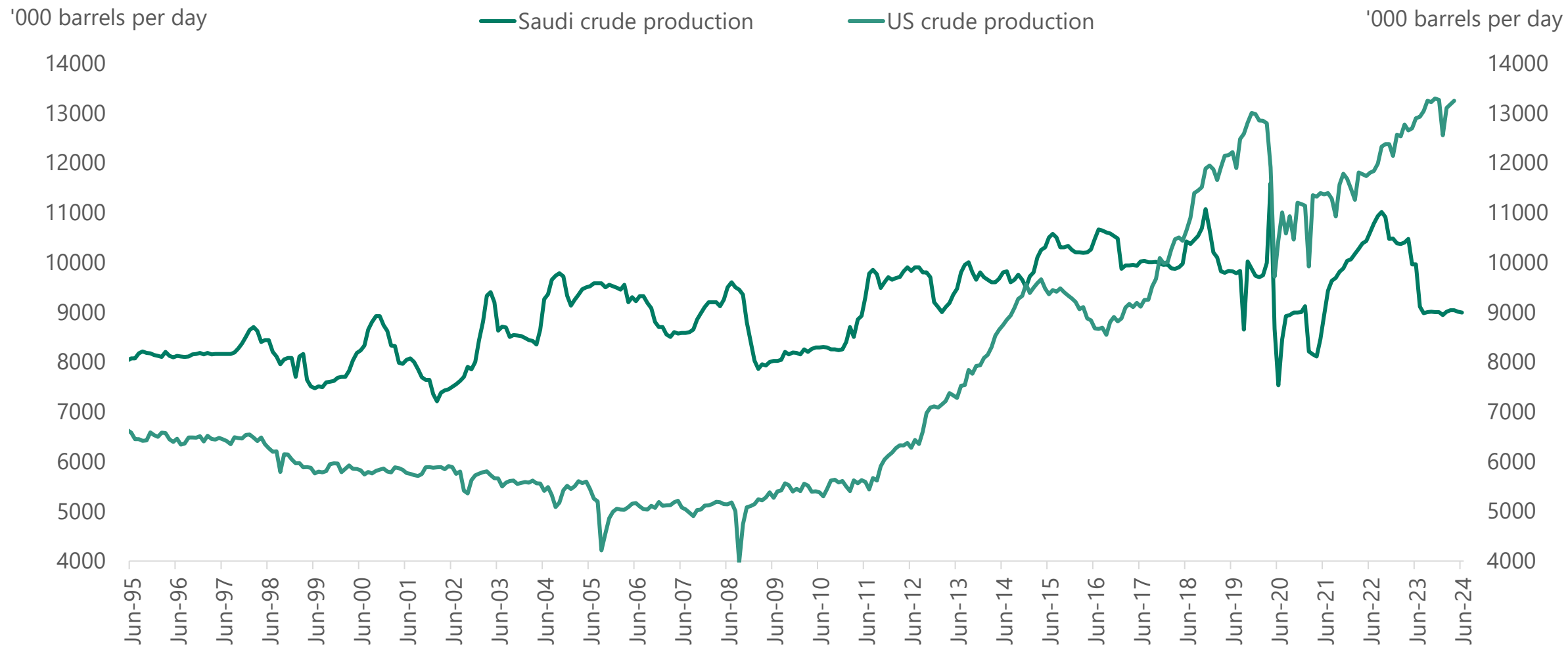
# The US produces more oil than Russia and Saudi Arabia



# US is the largest producer of oil

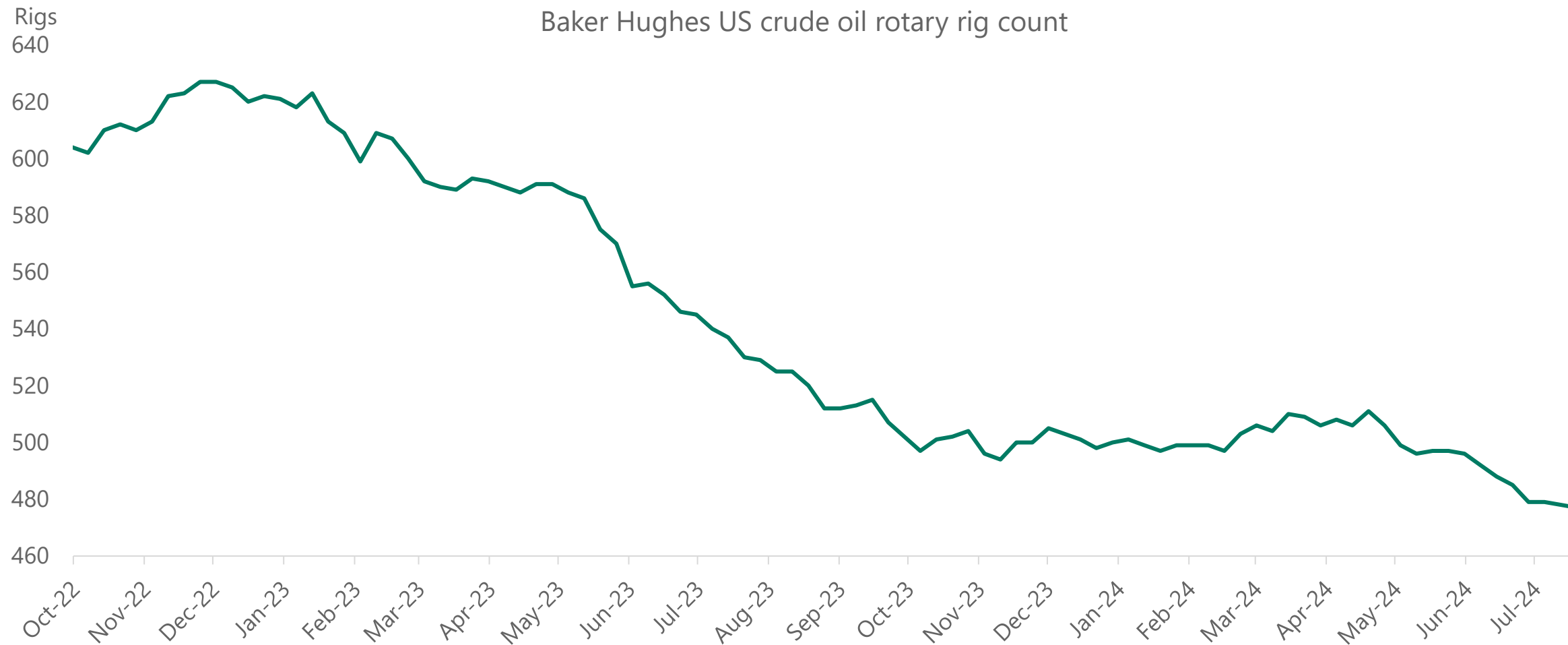


# Rising US oil production offsetting OPEC production cuts

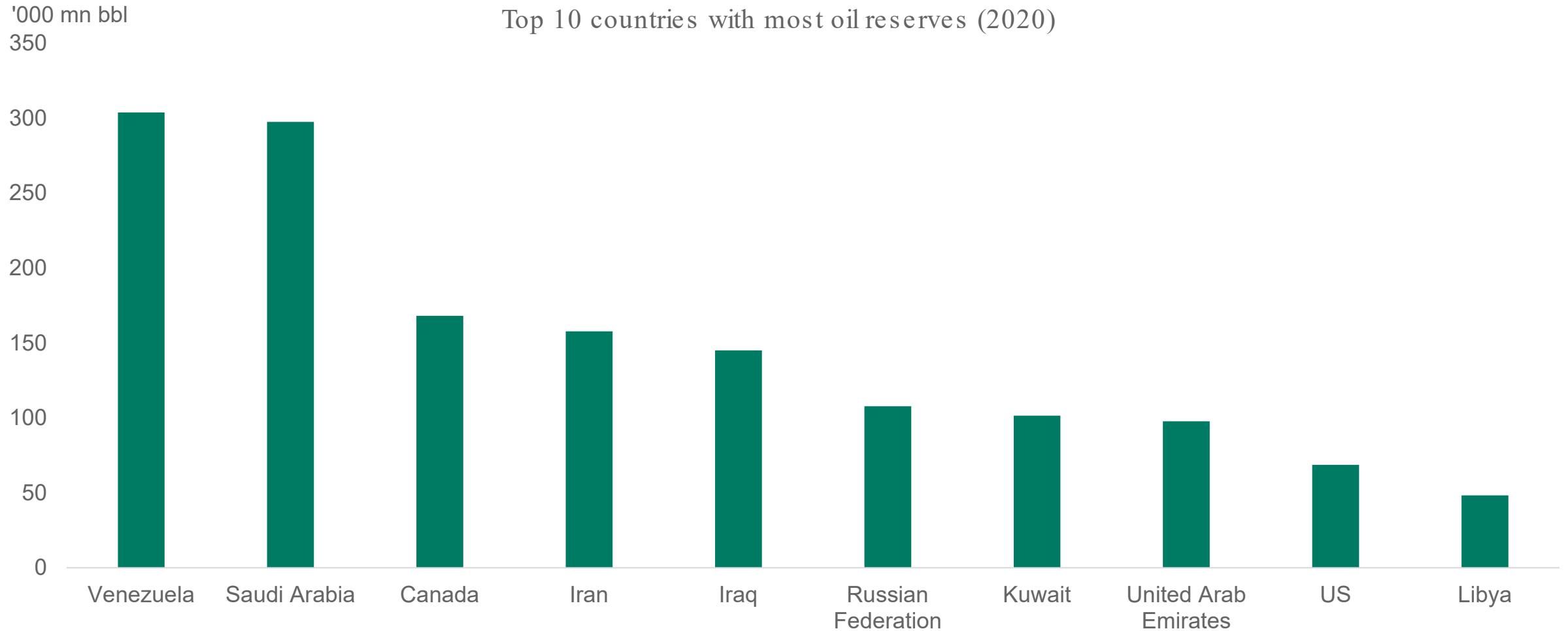




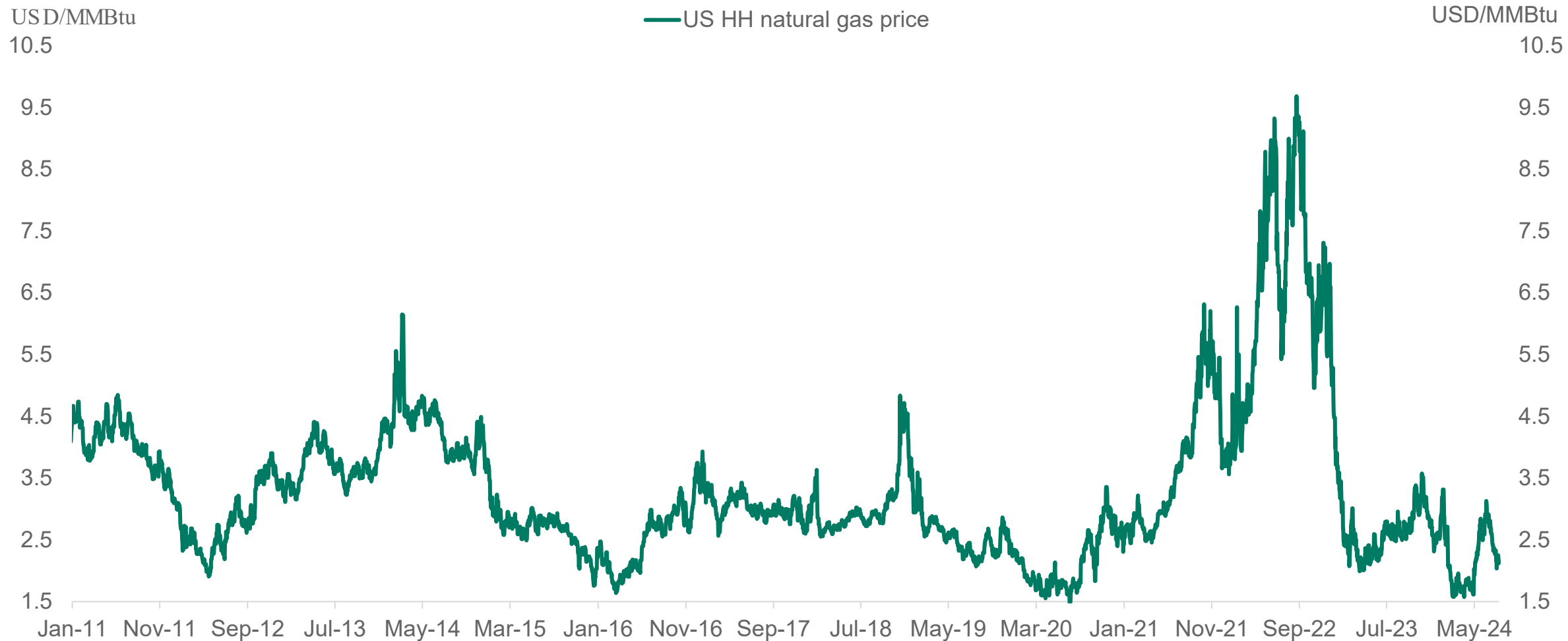
# The number of active U.S. rigs drilling for oil



# OPEC countries have a large share of oil reserves



# US natural gas prices

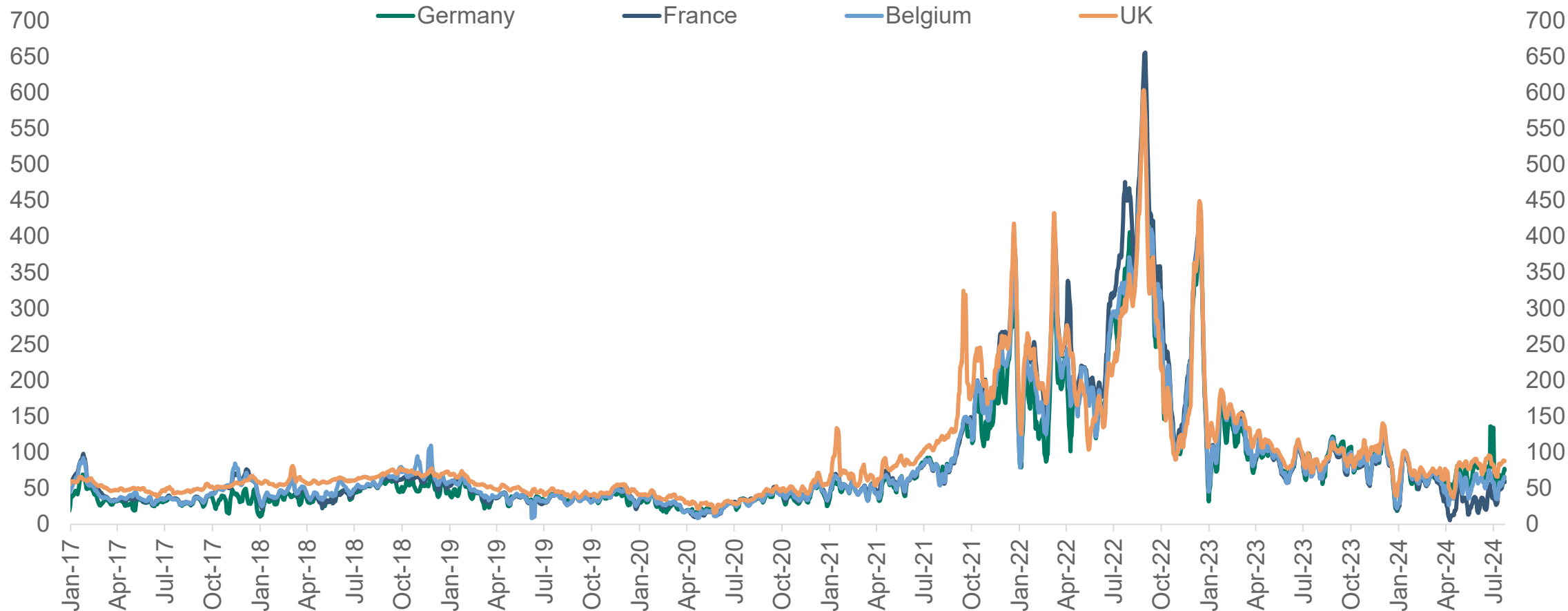


# Europe: Electricity prices

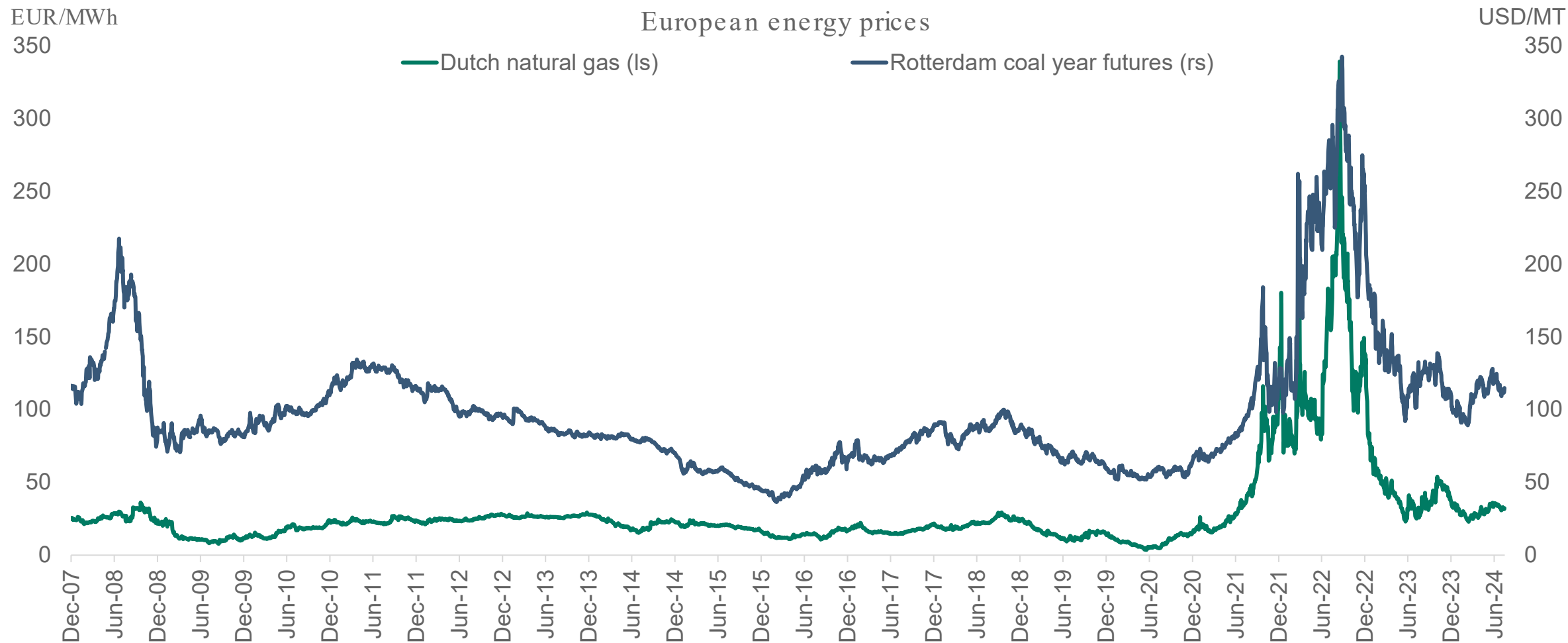
EUR/MWh, 7 day MA

Day ahead power prices

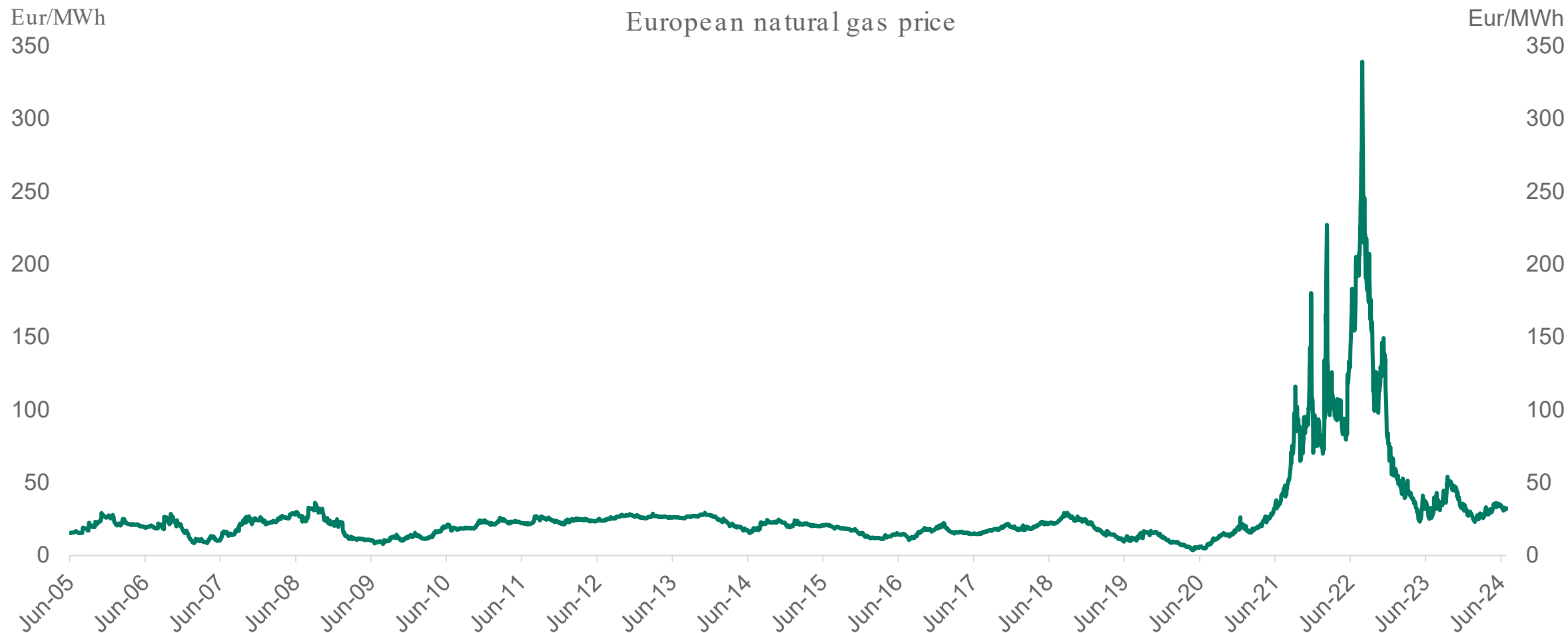
EUR/MWh, 7 day MA



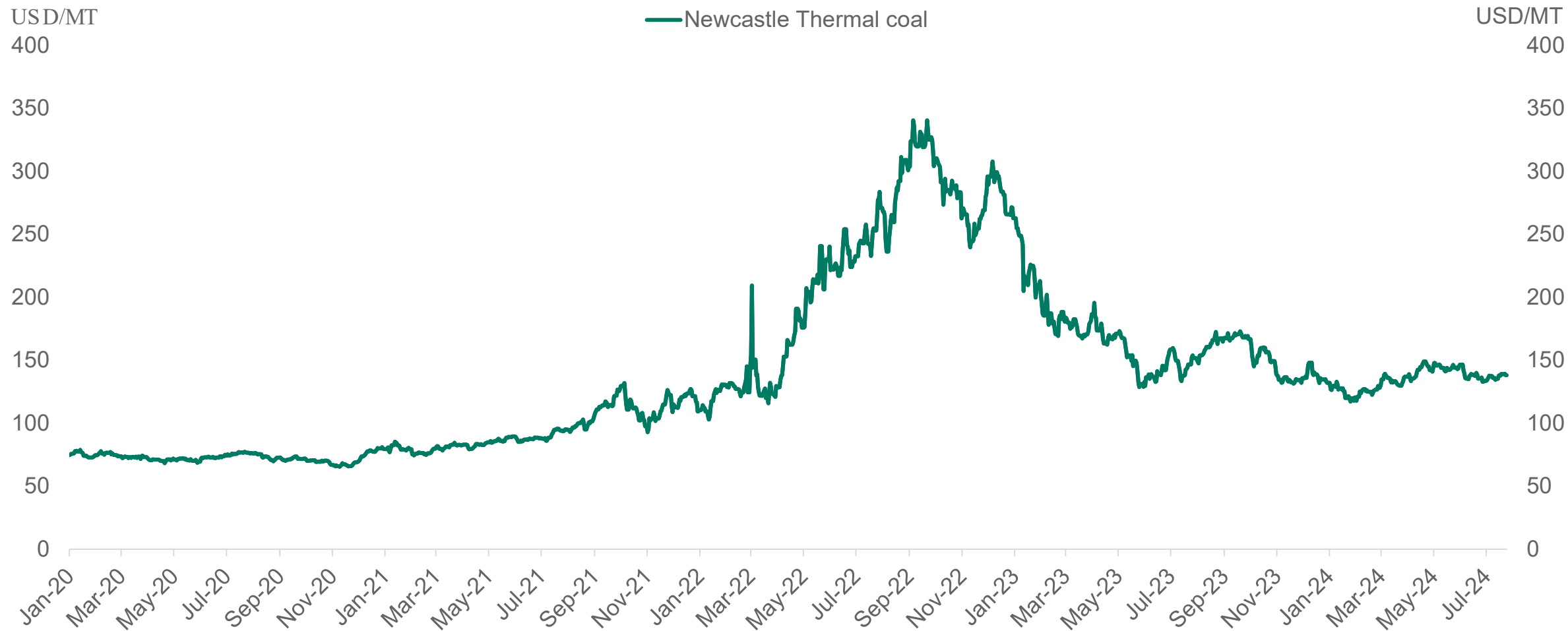
# European energy prices



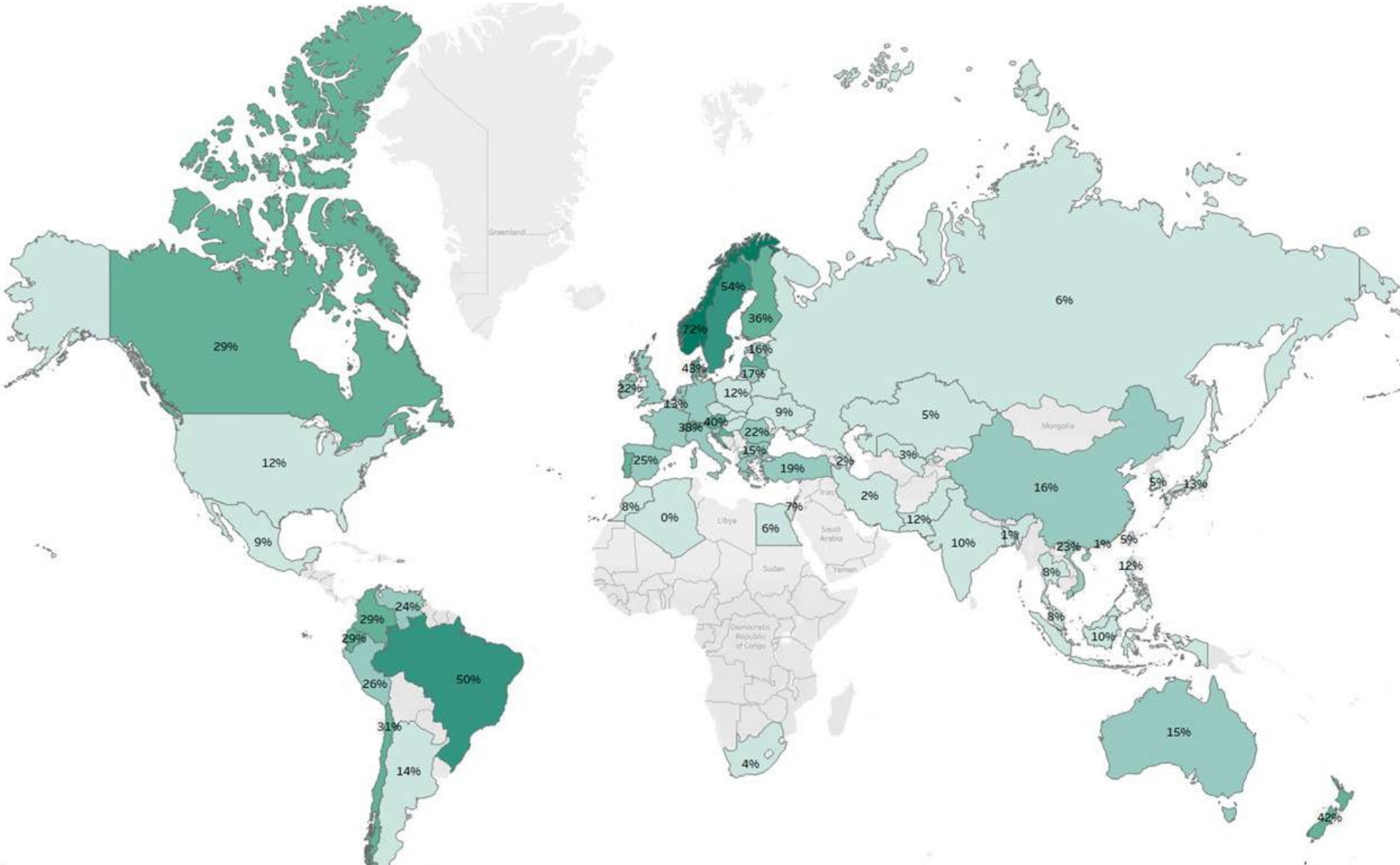
# European natural gas prices



# Thermal coal price



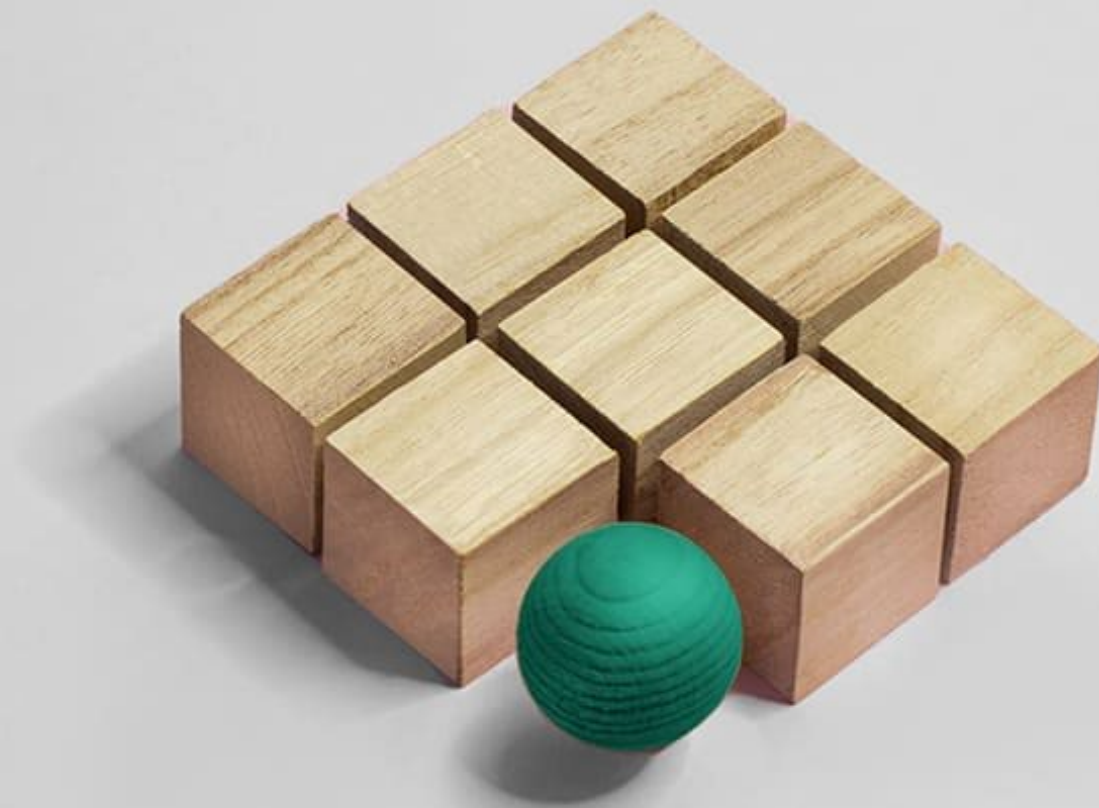
# Share of primary energy consumption from renewable sources, 2023



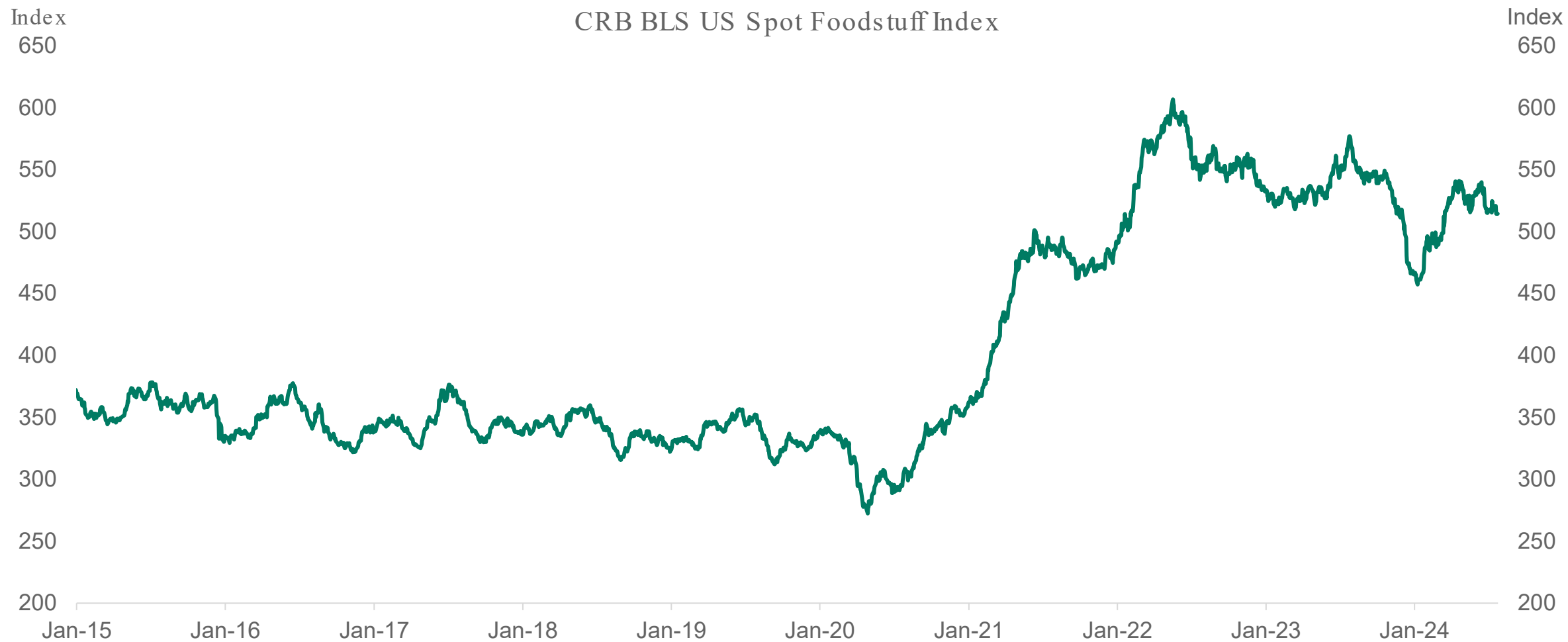
Source: Energy Institute - Statistical Review of World Energy (2024), [OurWorldInData.org/energy](https://www.ourworldindata.org/energy), Apollo Chief Economist.



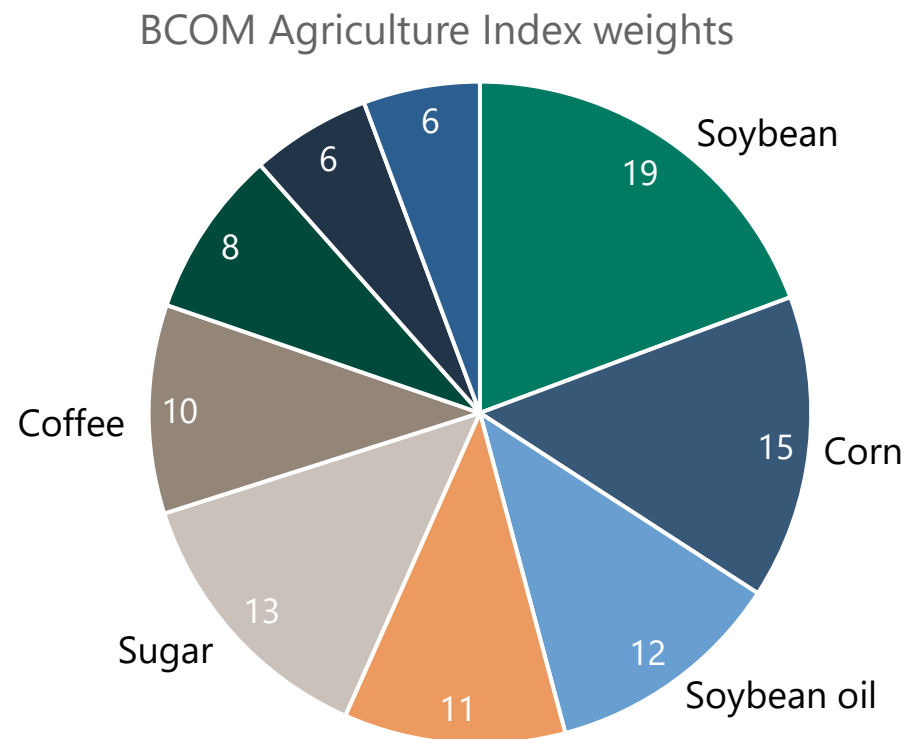
# Agriculture prices



# US food prices

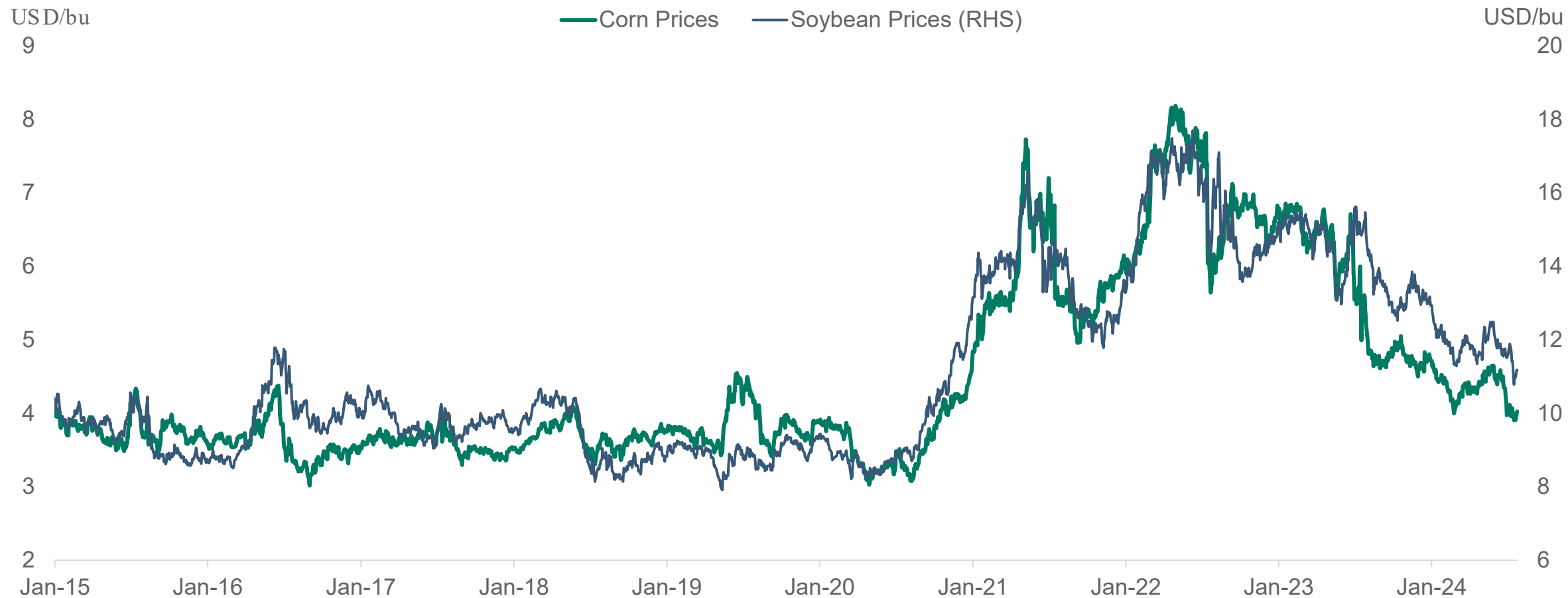


# Agriculture index weights: Biggest components are Soybean, Corn, and Sugar



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

# Corn and soybean prices



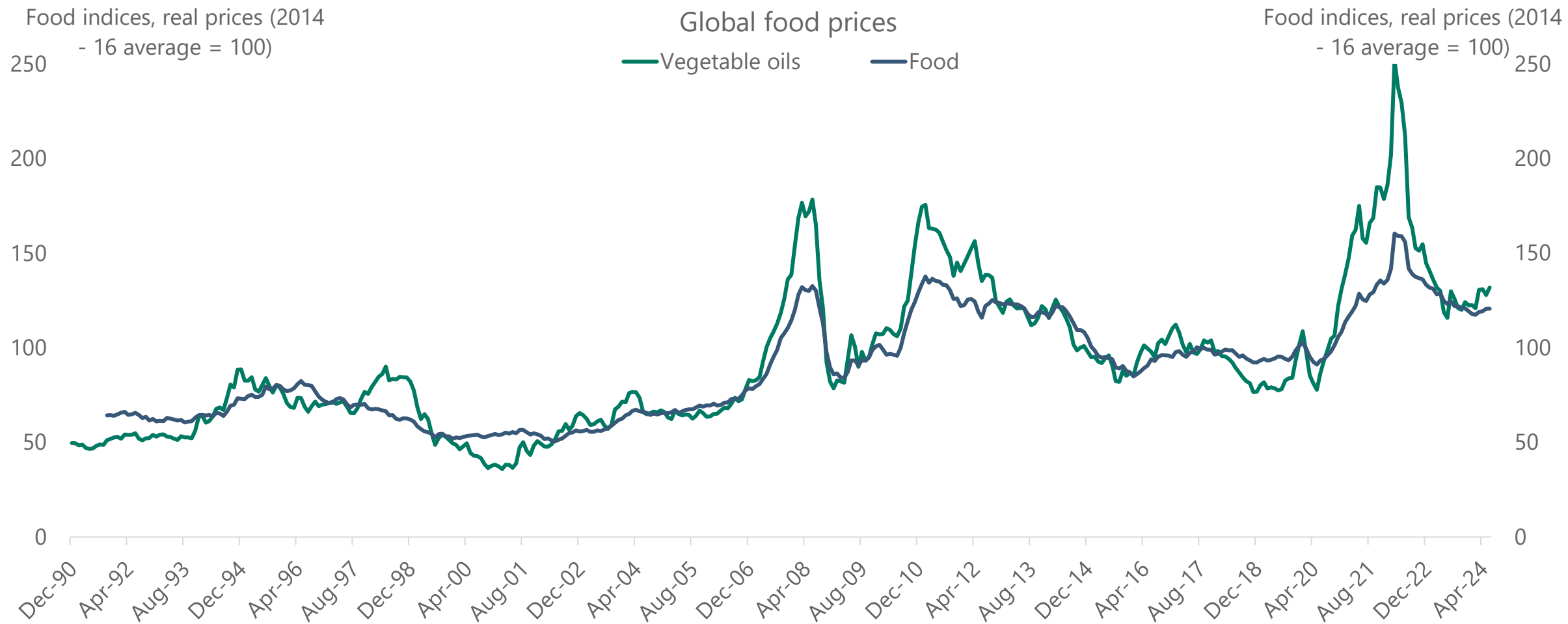
# Spanish extra virgin olive oil prices



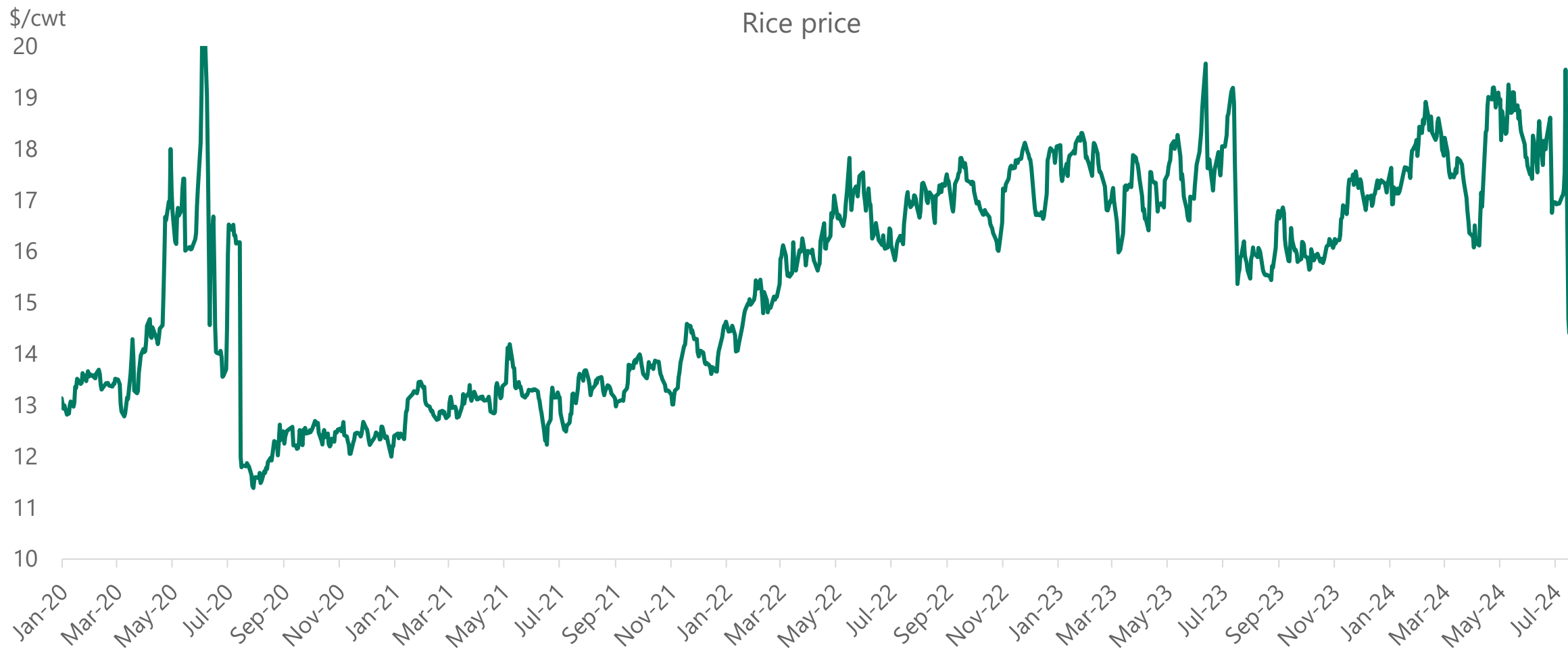
# Sugar prices



# Global food prices

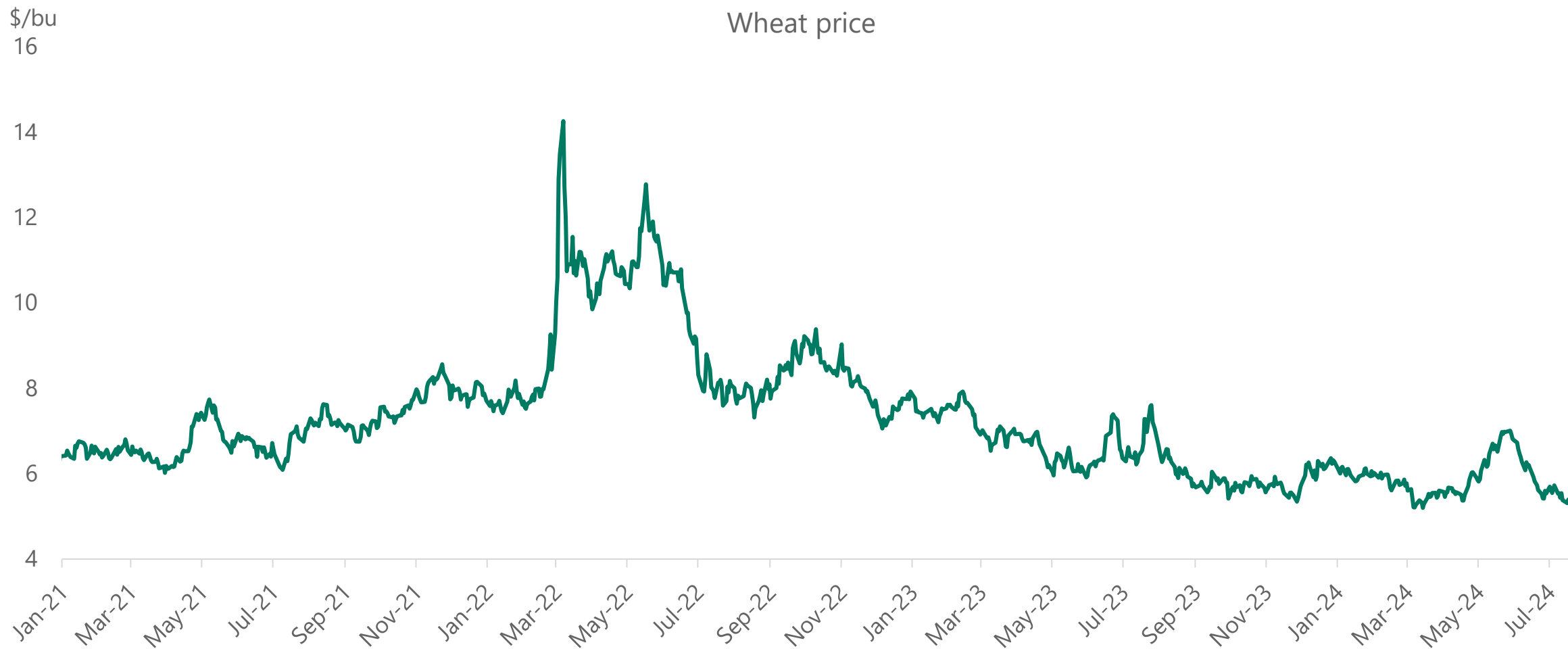


# Rice prices





# Wheat prices

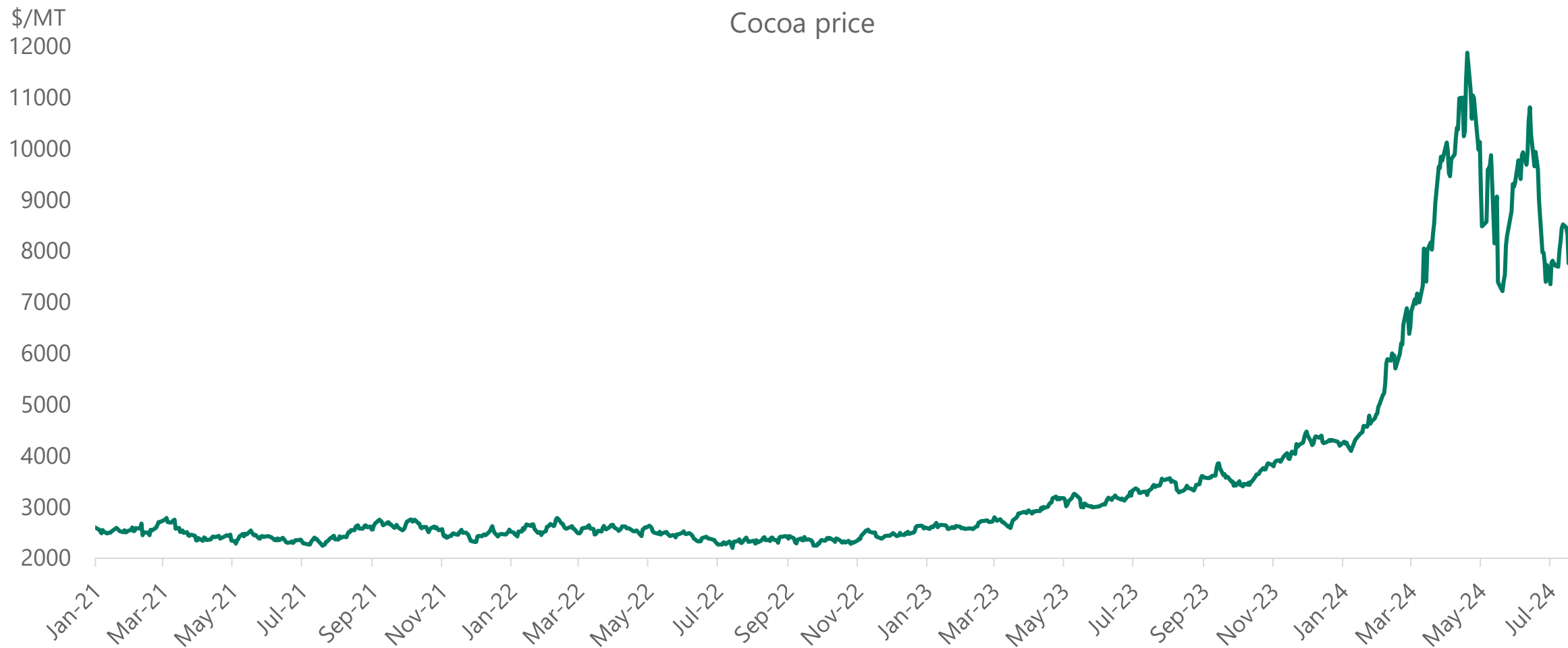


Source: Bloomberg, Apollo Chief Economist

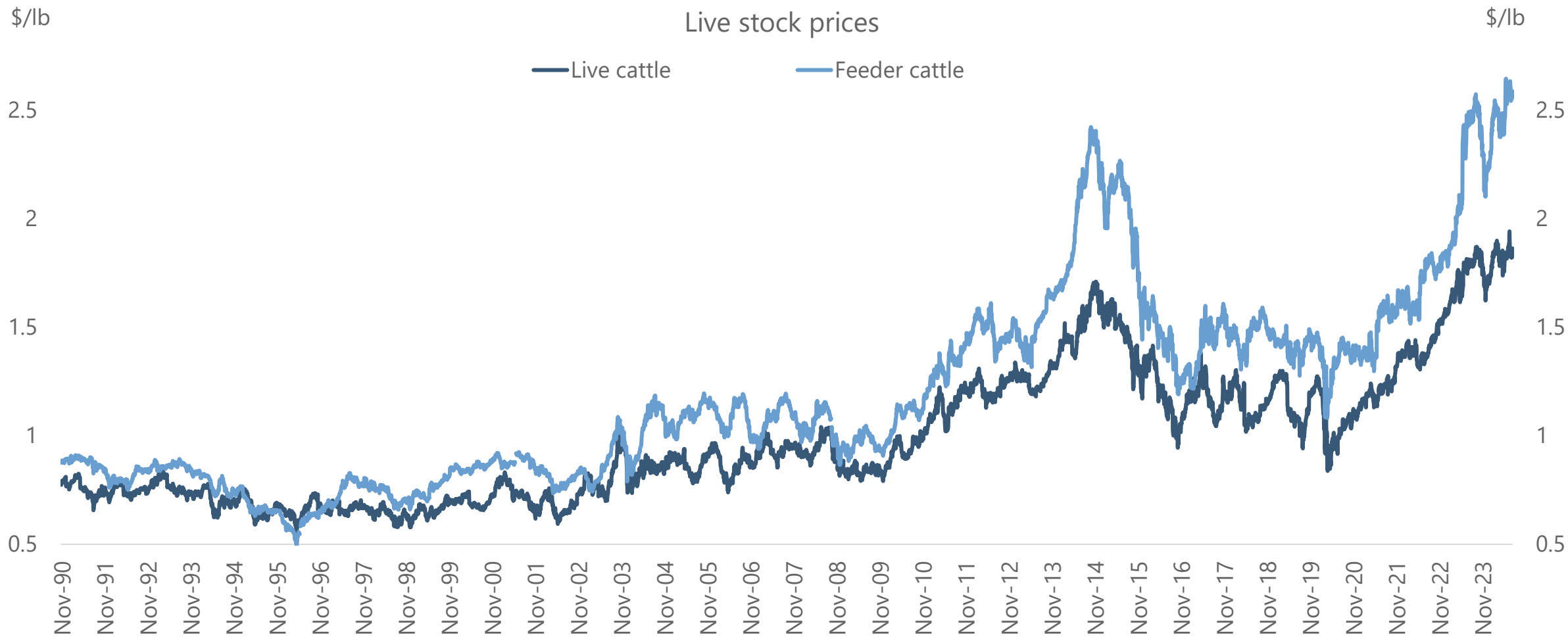
# Coffee prices



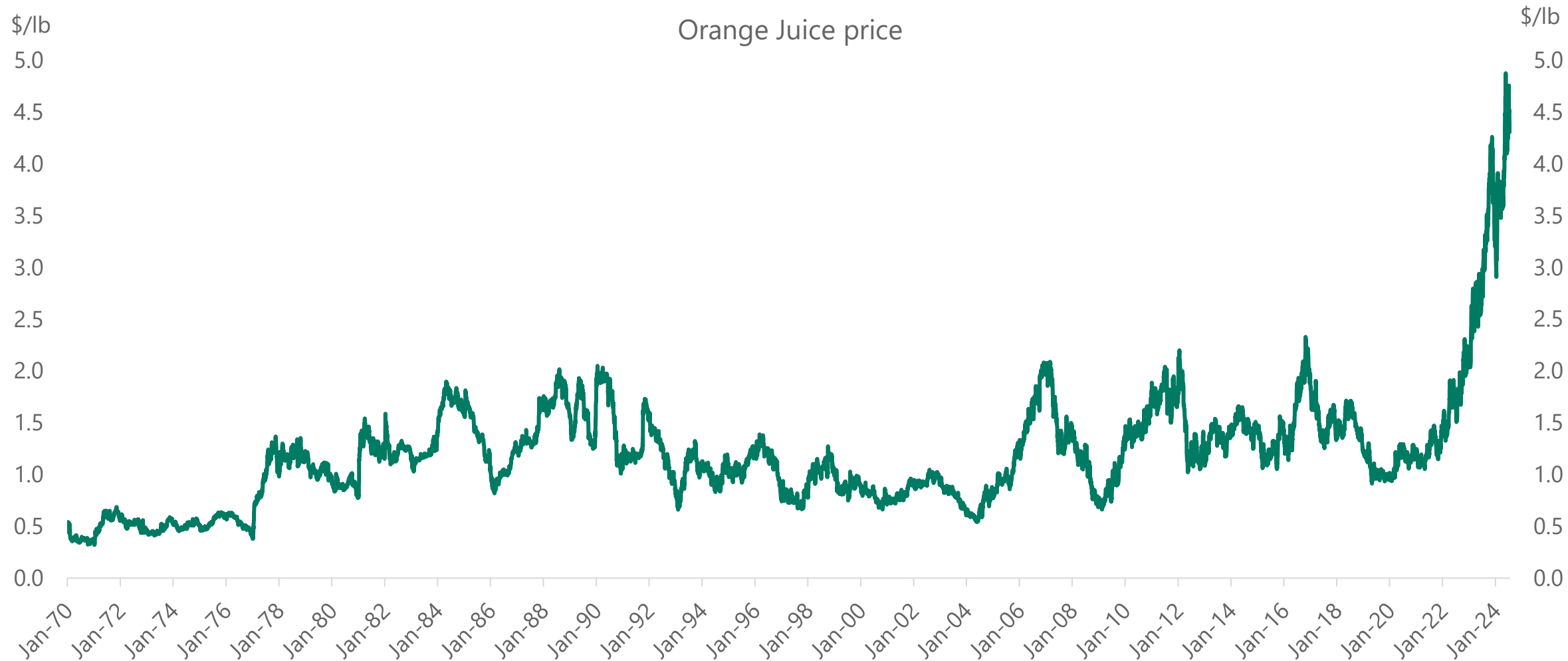
# Cocoa prices



# Livestock prices



# Orange juice price



# Metals prices



# Industrial and precious metal prices



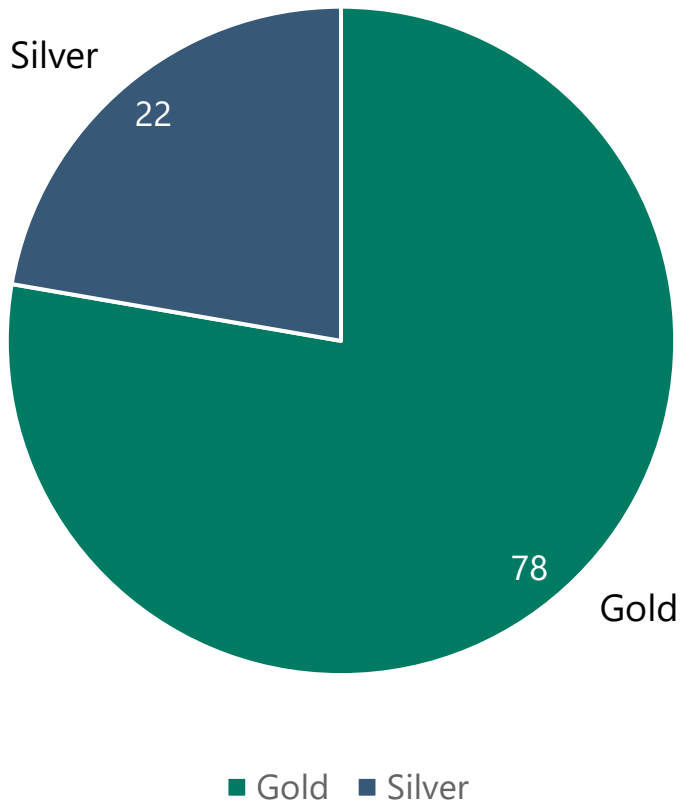
# Gold price



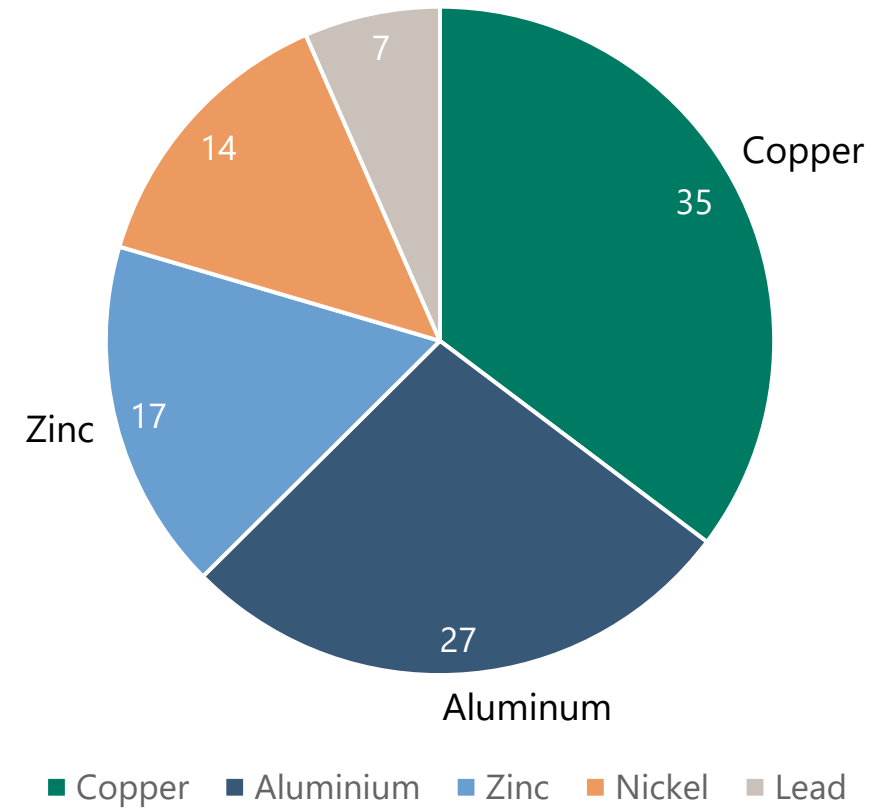


# Weights in indices for precious metals and industrial metals

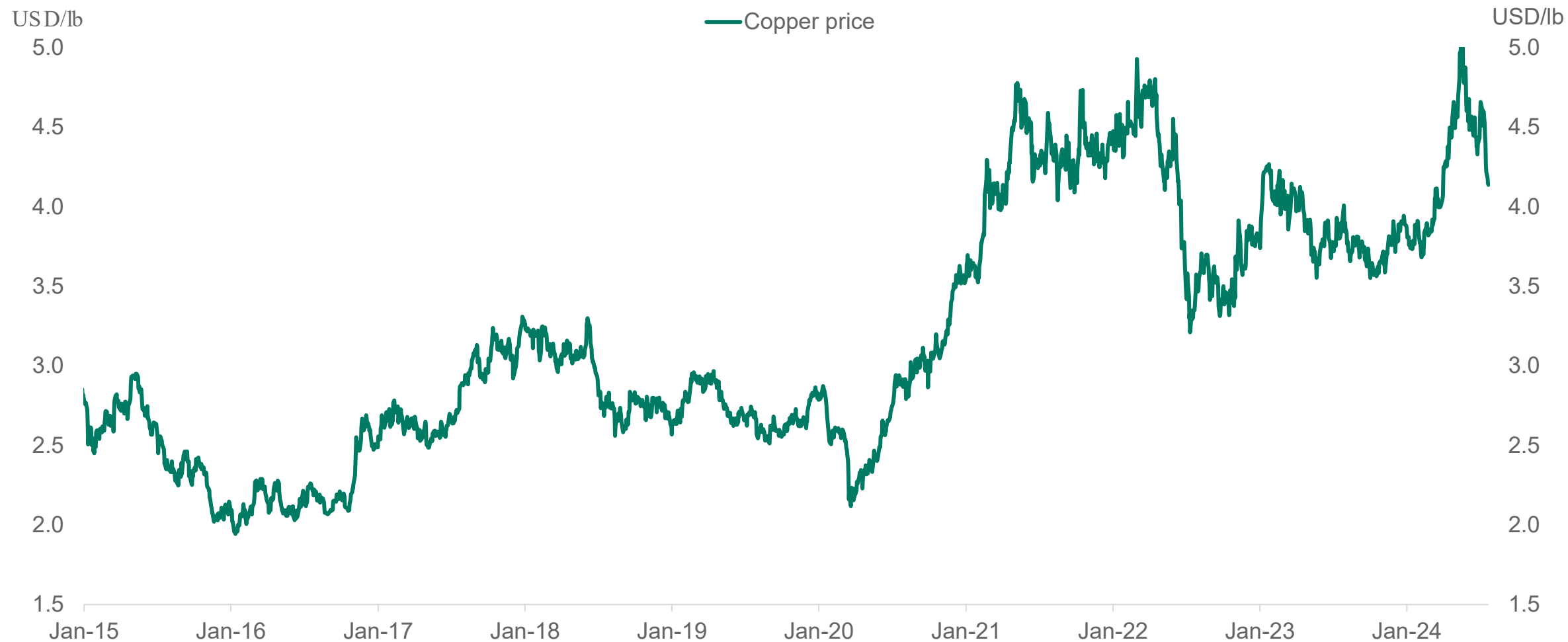
BCOM Precious metals weights



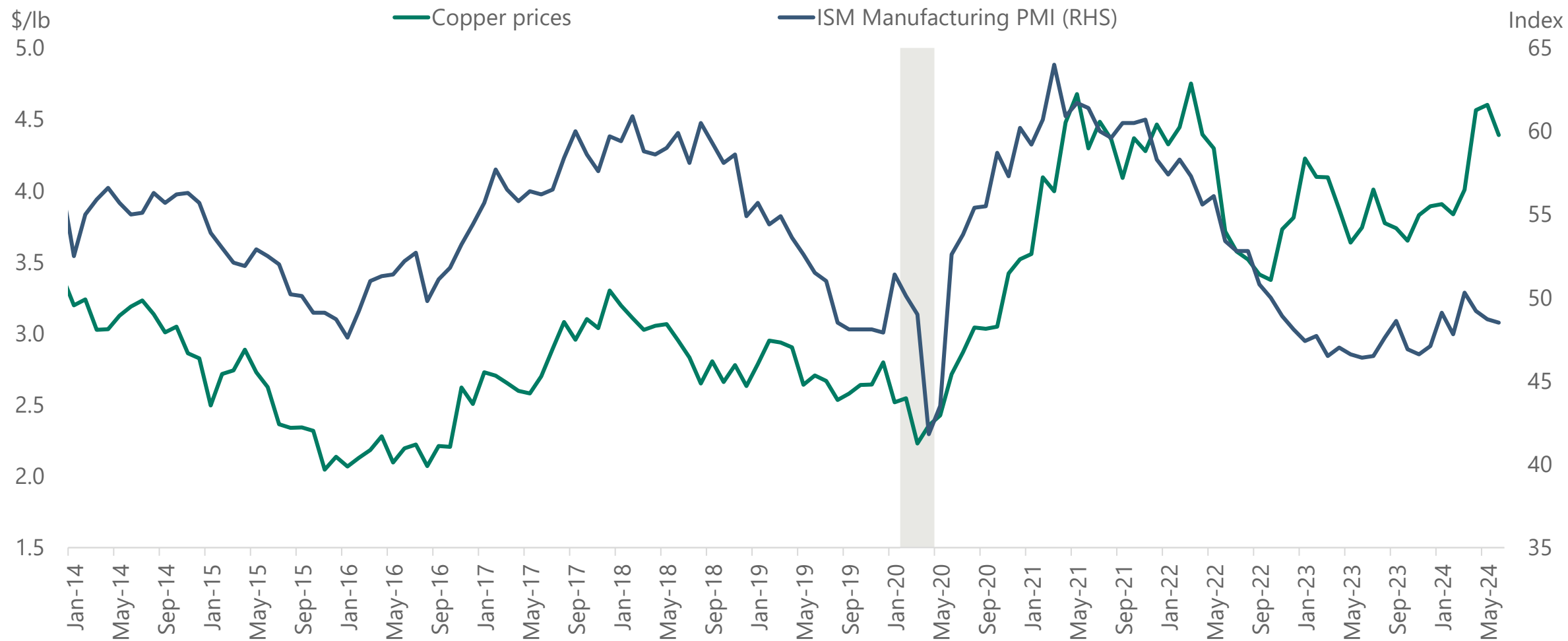
BCOM Industrial metals weights



# Copper prices



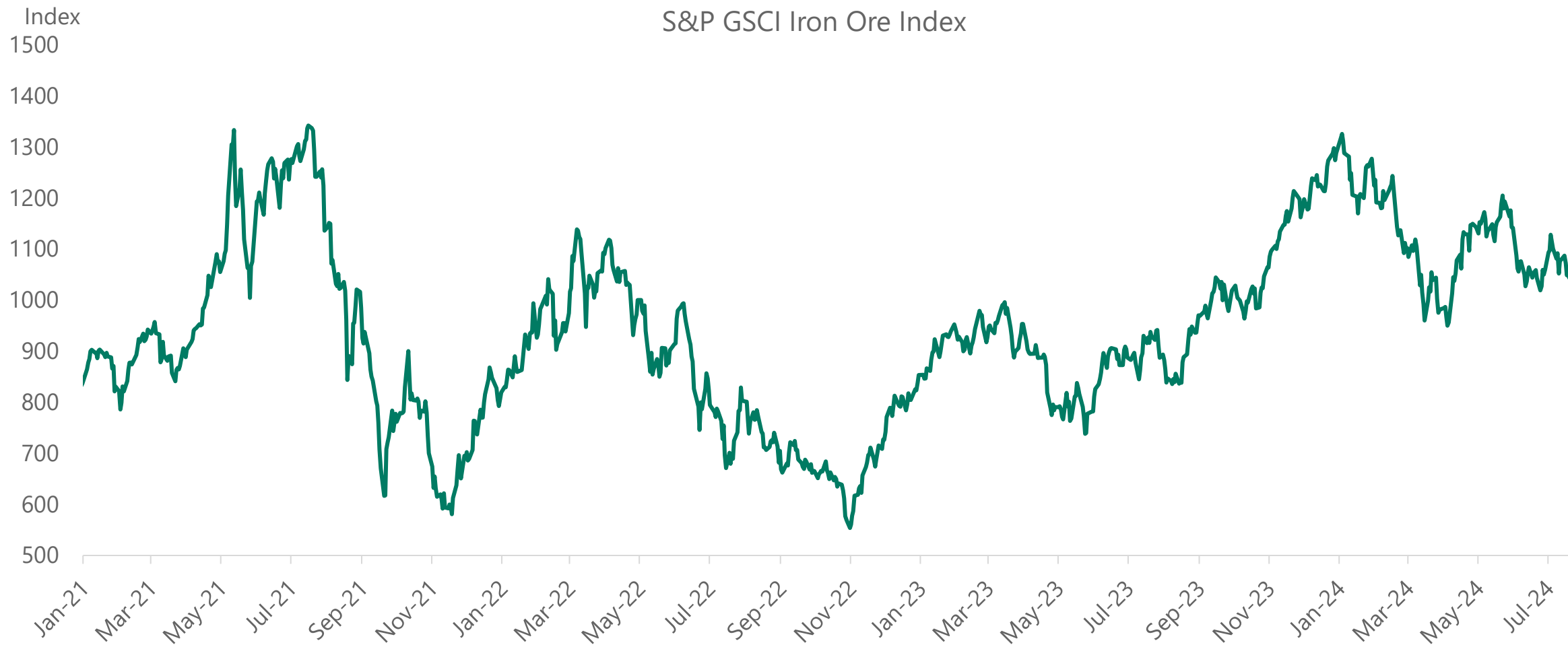
# Copper prices and PMI



# Aluminum prices



# Iron ore prices



# China: Iron ore inventory

1000 Metric tonnes

— Steelhome China Iron Ore Total Ports Inventory





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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.