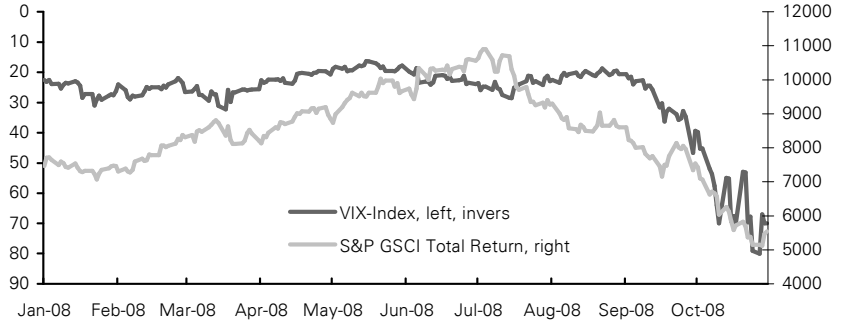



**Economic &
Commodity Research**

Commodities Daily

CRB up 5.9%, biggest gain of all time

Risk aversion a driving force for commodity prices of late



Sources: S&P, Bloomberg, Commerzbank Corporates and Markets

Prices

Energy*	current	1 day	1 week	1 month	1 year
Brent Blend	65.5	1.9%	1.2%	-32.0%	-24%
WTI	67.5	2.2%	1.7%	-31.4%	-24%
Gasoline RBOB	512.0	4.7%	-1.8%	-39.2%	-33%
Gasoil	657.8	-0.3%	-1.7%	-28.3%	-15%
Diesel	686.8	-0.1%	-1.5%	-27.3%	-16%
Jet fuel	714.8	-0.2%	-1.7%	-31.5%	-17%
Natural gas	6.8	1.4%	7.1%	-7.6%	-14%

Industrial metals**

Aluminum	2152	0.6%	7.9%	-10.7%	-14%
Copper	4651	1.5%	16.8%	-25.8%	-39%
Lead	1580	0.9%	23.9%	-12.8%	-56%
Nickel	13640	-2.5%	42.2%	-16.1%	-58%
Tin	15225	-2.1%	24.2%	-13.4%	-11%
Zinc	1260	0.8%	5.8%	-24.4%	-55%

Precious metals***

Gold	755.0	2.0%	6.7%	-11.6%	-2%
Silver	9.9	3.4%	5.5%	-15.1%	-28%
Platinum	808.0	7.6%	7.2%	-14.0%	-39%
Palladium	199.0	1.3%	17.2%	1.0%	-45%

Agriculturals*

Wheat	561.3	1.2%	8.7%	-16.4%	-30%
Corn	420.8	1.9%	9.9%	-12.1%	16%
Soybeans	937.3	2.1%	8.2%	-8.4%	-4%
Sugar	12.1	1.8%	13.6%	-0.4%	22%
Coffee	112.2	1.2%	3.1%	-13.0%	-6.9%
Cocoa	2137.0	1.3%	8.7%	-15.4%	11%

Currencies***

EUR/USD	1.296	1.24%	1.45%	-6.89%	-9.09%
---------	-------	-------	-------	--------	--------

* 1-month forward, ** 3-month forward, *** spot

Inventory data

Energy*	current	1 day	1 week	1 month	1 year
Crude oil	311873	-	0.2%	7.5%	0%
Gasoline	194990	-	-0.8%	9.1%	0%
Distillates	4432	-	-0.2%	36.0%	8%
Jet fuel	126629	-	1.9%	0.9%	-6%
Natural gas	3347	-	2.1%	12.6%	-3%

Industrial metals**

Aluminum LME	1506975	0.1%	0.7%	9.8%	64%
Aluminum COMEX	10924	0.0%	0.0%	0.0%	-37%
Aluminum Shang.	204407	-	-0.1%	5.0%	113%
Copper LME	217300	0.8%	4.6%	9.2%	38%
Copper COMEX	9892	0.0%	15.3%	-0.3%	-49%
Copper Shanghai	31053	-	-10.7%	81.9%	-45%
Lead LME	51275	-1.9%	-8.4%	-20.5%	31%
Nickel LME	57810	1.3%	4.2%	4.0%	55%
Tin LME	3815	-0.4%	-23.3%	-36.6%	-70%
Zinc LME	178750	0.8%	5.7%	15.0%	190%
Zinc Shanghai	72693	-	0.2%	2.1%	-

Precious metals***

Gold	8569732	0.0%	0.1%	-0.3%	17%
Silver	130490	0.1%	-1.2%	-4.3%	-2%
Platinum	1168	0.0%	19.9%	10.4%	21%
Palladium	4247	-0.1%	-0.5%	-2.0%	-33%

*'000 barrels (DOE), ** metric tons, *** gold – oz., silver – '000 oz.

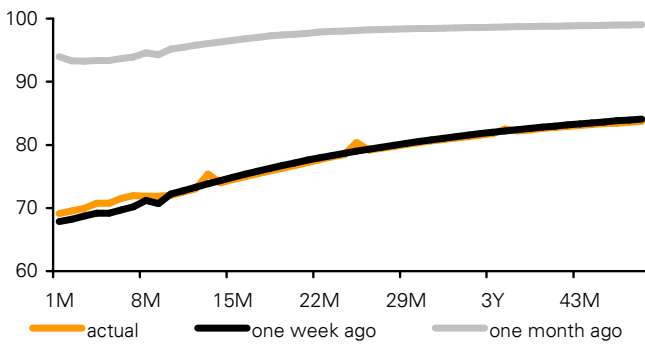
Energy: Oil is being aided by renewed optimism on the equity markets, a weaker dollar, the boost from the Fed's and Chinese rate cuts and possible economic stimulus packages. The Fed has also decided to provide up to \$30bn each to the central banks of South Korea, Singapore, Mexico and Brazil via liquidity swaps. As a result, WTI has climbed back above the \$70 mark. We could see further gains, especially since on the production side the OPEC seems bent on implementing the production cuts agreed on. Yesterday's US inventory data gave an additional fillip to prices. Crude stocks were up just 493 thousand barrels last week, well below the 1.55 million envisaged. The discrepancy can be explained largely by a drop in crude imports. However, inventory levels are still 2.5% above their five-year average. Gasoline stocks dropped by a surprise 1.5 million barrels, whereas an increase on this very scale had been expected. As the heating season begins, refineries are evidently starting to produce more diesel and heating oil. Distillate stocks were up by 2.3 million barrels, considerably more than the 1.05 expected. Demand for oil products remained weak, dropping 7.8% year on year over the past four weeks. Leonid Fedun, Vice President of Russia's second-largest oil company Lukoil, has announced that the country's oil output is likely to fall by 1-1.5% next year. He also spoke out in favour of Russia adhering to the recent OPEC resolution and cutting output 300-400 thousand barrels a day. Since Russia is highly dependent on oil revenues, and in view of the financial market turmoil at present, we do not expect his words to be heeded, especially since falling oil prices have already hit the Russian economy. The ministry of finance is already concerned about government finances if oil cannot hang on at above \$70 a barrel. Note that Russian Ural was trading at just short of \$64 a barrel yesterday. Nor is there much chance of Russia joining OPEC, as mooted by Fedun, as its interests and OPEC's vary too greatly.

Precious metals: Gold is benefitting from the dollar's retreat, which accelerated in the wake of yesterday's Fed 50-point rate cut to 1%. The euro now stands at \$1.32, five US cents higher than this time yesterday. In this light, gold could in fact have been expected to advance more than the \$20 that have taken it to \$775 a Troy ounce. It is evidently held back by the strong upturn on the equity markets, which signals declining risk aversion. Falling interest rates around the globe, a visible shortage of physical gold as demand rises, and shrinking mine supplies – Avocet has just reported a drop in output of a third in the second quarter – point to gold retaking the \$800 hurdle on a sustainable basis over the next few weeks. Platinum has reaped far more benefit from the brighter mood on the financial markets, and should also be aided by reports of tightening supply. The world's third-largest producer, Lonmin, reports a 16% decline in output in the year ending 30 September to 732,125 ounces. It envisages a similar production level in the current business year.

Base metals: The greater optimism on the market has taken effect here as well, especially for copper. It has gained up to 33% since Monday to reach \$4,800 for a time. This is partly a technical reaction to the over-sold situation, and there has also been supportive news for prices on the supply side. Chile, the world's number one producer, has lowered its forecast for annual production for the second time since July by 3% to 5.45 million tons. The revision was necessary not on account of falling prices but also the difficulties encountered in financing new projects. The escalating civil war in the Congo, which has large deposits of copper, cobalt, gold and diamonds, could also impact supplies for quite some time.

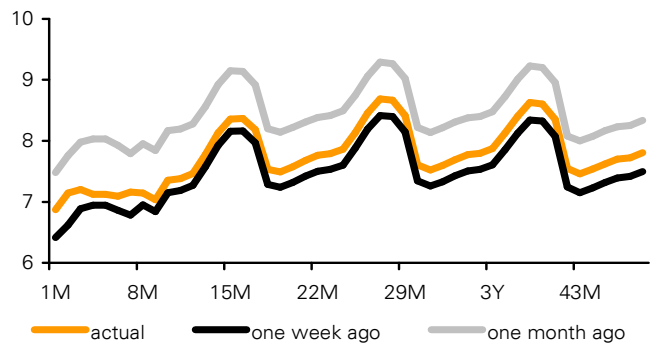
Nickel has bucked the trend today, losing 6% to below \$13,000 a ton. The world's leading producer, Norilsk Nickel, sees the need for production cuts in response to low prices but is not planning any itself as yet. Consequently, prices will probably not be able to stage any real recovery for the time being.

GRAPH 1: Forward curve oil market (WTI)



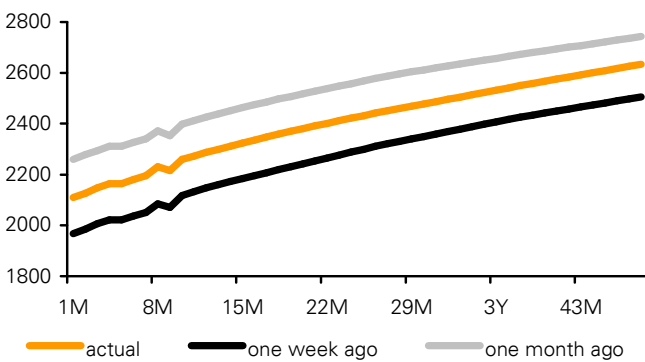
Source: NYMEX; Bloomberg, Commerzbank Corporates & Markets

GRAPH 2: Forward curve gas market (Henry Hub)



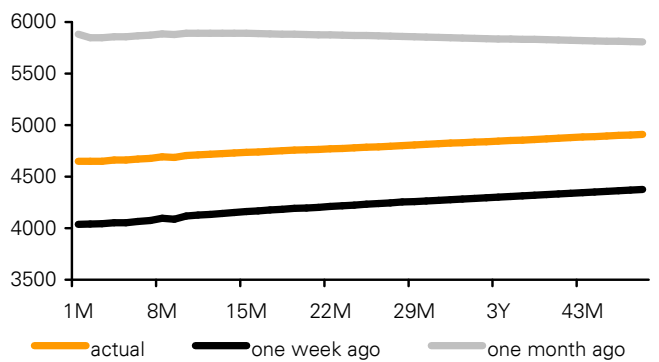
Source: NYMEX, Bloomberg, Commerzbank Corporates & Markets

GRAPH 3: Forward curve aluminium (LME)



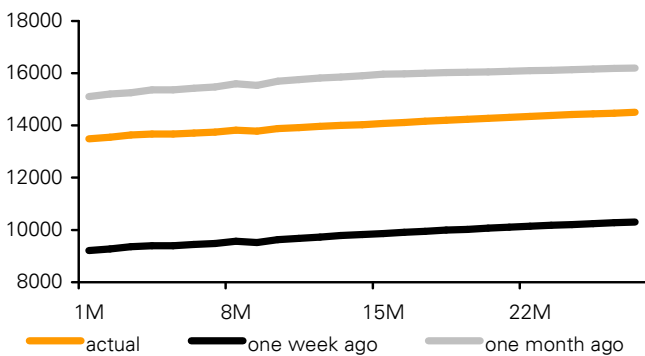
Source: LME; Bloomberg, Commerzbank Corporates & Markets

GRAPH 4: Forward curve copper (LME)



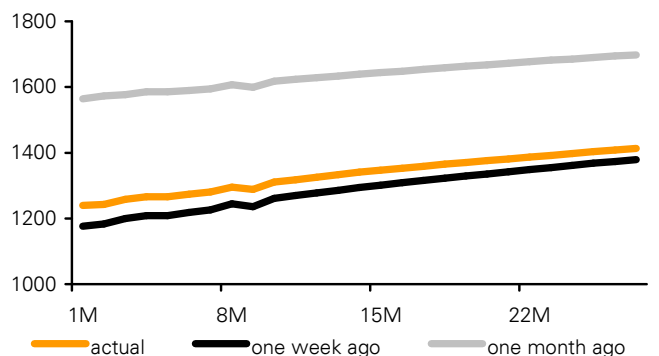
Source: LME; Bloomberg, Commerzbank Corporates & Markets

GRAPH 5: Forward curve Nickel (LME)



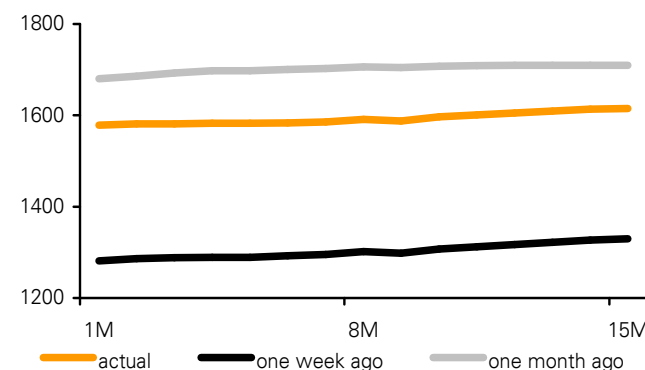
Source: LME; Bloomberg, Commerzbank Corporates & Markets

GRAPH 6: Forward curve zinc (LME)



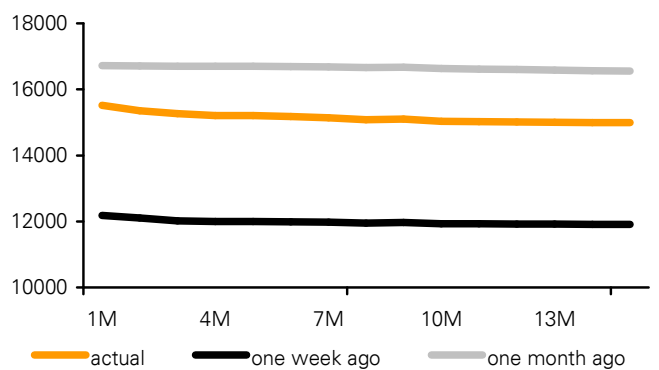
Source: LME; Bloomberg, Commerzbank Corporates & Markets

GRAPH 7: Forward curve lead (LME)



Source: LME; Bloomberg, Commerzbank Corporates & Markets

GRAPH 8: Forward curve tin (LME)



Source: LME; Bloomberg, Commerzbank Corporates & Markets

Additional information available on request

This document has been created and published by the Corporates & Markets division of Commerzbank AG, Frankfurt/Main or the group companies mentioned in the document ("Commerzbank"). The document is intended for distribution to the bank's professional and institutional clients and not to its private clients.

Commerzbank Corporates & Markets (CBCM) is the investment banking division of Commerzbank AG, integrating debt, equities, interest rates and foreign exchange, with specific expertise in corporate risk and capital structuring.

Any information in this report is based on data obtained from sources considered to be reliable, but no representations or guarantees are made by Commerzbank Group with regard to the accuracy or completeness of the data. The opinions and estimates contained herein constitute our best judgement at this date and time, and are subject to change without notice. This report is for information purposes, it is not intended to be and should not be construed as a recommendation, offer or solicitation to acquire, or dispose of, any of the securities mentioned in this report.

Commerzbank Group may provide banking or other advisory services to interested parties.

This report is intended solely for distribution to professional and business customers of Commerzbank Group. It is not intended to be distributed to private investors or private customers. Not for distribution to third parties. Commerzbank Group accepts no responsibility or liability whatsoever for any expense, loss or damages arising out of or in any way connected with the use of all or any part of this report.

In compliance with statutory and regulatory provisions, Commerzbank has made internal organisational arrangements so as to prevent as far as possible any conflicts of interest in preparing and transmitting analyses. These include, in particular, in-house information barriers (Chinese walls). These barriers prevent giving analysts access to information that may cause conflicts of interest for Commerzbank AG with regard to the analysed issuer or its financial instruments. These information barriers also apply to any information not in the public domain to which Commerzbank AG may have access from a business relationship with the issuer. For statutory or contractual reasons, this information cannot be used in an analysis of the securities and are therefore not included in this report.

Commerzbank AG, its affiliates and/or clients may conduct or may have conducted transactions for their own account or for account of another with respect to the financial instruments mentioned in this report or related investments before the recipient has received this report. Commerzbank AG, its executives, managers and employees may hold shares or positions, possibly even short sale positions, in securities included in this report or related investments

Additional note to readers in the following countries:

Germany: Commerzbank AG is registered in the Commercial Register at the local court (Amtsgericht) Frankfurt under the number HRB 32000 and supervised by the German regulator Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin). This report is intended to help customers make their own independent investment decisions, and is no substitute for investor and investment-based consulting. The information contained in this report was compiled with care.

United Kingdom: This report has been issued or approved for issue in the UK to professionals and business customers only, by Commerzbank AG, London Branch, which is authorised by the German regulator Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin) and by the Financial Services Authority, regulated by the Financial Services Authority for the conduct of business in the UK, and is a member firm of the London Stock Exchange and incorporated in Germany with limited liability. It is not for distribution to or the use of private customers

United States: Commerzbank Capital Markets Corp. (a wholly owned subsidiary of Commerzbank AG) is a U.S. registered broker-dealer and has accepted responsibility for the distribution of this report in the United States under applicable requirements. Any transaction by US persons must be effected with Commerzbank Capital Markets Corp. Under applicable US law; information regarding clients of CCMC may be distributed to other companies within the Commerzbank Group.

Italy: You should contact Commerzbank AG London Branch if you wish to use our services to effect a transaction in any of the securities mentioned in this publication. This report has been issued for distribution in Italy only to professional customers as defined in article 31 of Consob regulation 11522/98 and later modifications.

© 2007 No part of this report may be reproduced or distributed in any manner without permission of Commerzbank Group. In particular Commerzbank Group does not allow the redistribution of this report to non-professional investors and cannot be held responsible in any way for any third parties who effect such redistribution.

Commerzbank Corporates & Markets**Frankfurt**

Commerzbank AG

DLZ - Gebäude 2, Händlerhaus
Mainzer Landstraße 153
60327 FrankfurtTel: + 49 69 136 44440
Fax: + 49 69 136 40357**London**Commerzbank AG
London Branch60 Gracechurch Street,
London
EC3V 0HRTel: + 44 20 7653 7000
Fax: + 44 20 7653 7400**New York**Commerzbank Capital
Markets Corp.2 World Financial Center, 31st floor
New York,
NY 10281-1050Tel: +1 212 703 4000
Fax: +1 212 703 4201