

friedberg & co. ltd.

INTERNATIONAL COMMODITY BROKERS
FOREIGN EXCHANGE DEALERS
FINANCIAL SERVICES

34 ADELAIDE STREET WEST
TORONTO 1, ONTARIO, CANADA
TEL: (416) 864-1195
CABLE ADDRESS: FRIEDCO TORONTO

COMMODITY COMMENTS

June 12th, 1973

<u>Cocoa:</u>	July '73	56.50
	Dec. '73	51.45

The latest Gill and Duffus report has finally come around to our long held view (see Commodity Comments, April 12th,) that consumption in cocoa, despite its relatively high price, would hold fairly steady and perhaps even continue to increase.

World production is forecast at 1,378,000 tons after having made substantial reductions in estimates for the Brazilian Temporao crop, Ghana and Nigeria. Grindings are forecast at 1,547,000, an increase of 5,000 tons over the 1972 grind in spite of the 100% increase in prices. Should our long held view that grindings would increase by 2½% over 1972 hold, total production deficit would be raised from the present forecast of 197,000 tons to 230,000 tons. Gill & Duffus points out that closing stocks may amount to some 2.8 months' supply at the current rate of grind. This figure represents a far larger degree of tightness than during 1965-1966 when stocks were much larger than at present & the ratio of availability to consumption considerably higher. Since the 1965-1966 season saw a high of 44¢/lb. & the dollar has since been devalued by as much as 40% vis a vis leading European currencies, one could project a minimum dollar objective of 75¢/lb. for cocoa over the next few months.

From a technical point of view, open interest remains fairly flat at just under 18,000 contract, in line with the previous five year average and volume remains fairly light, averaging less than 2,000 contracts daily. These are indications that the public has as yet not entered the market in any meaningful way. A further indication of the lack of speculative enthusiasm (and, therefore, a very healthy sign) are the recent consensus figures on bullishness showing a drop to 60% from the previous 79%.

1941 as a year

THE NATIONAL ARCHIVES
COLLEGE PARK, MARYLAND
20341

RECORDS OF THE
DEPARTMENT OF THE ARMY
WASHINGTON, D. C.

1941 as a year

1941 as a year

The year 1941 was a year of great change and growth for the United States. It was a year when the country began to move away from its traditional isolationism and towards a more active role in world affairs. The attack on Pearl Harbor in December 1941 marked the beginning of the United States' participation in World War II.

The year 1941 was a year of great change and growth for the United States. It was a year when the country began to move away from its traditional isolationism and towards a more active role in world affairs. The attack on Pearl Harbor in December 1941 marked the beginning of the United States' participation in World War II. The year was also a year of significant economic growth and technological advancement. The war effort led to the development of new technologies and the expansion of the industrial base. The year 1941 was a year of great change and growth for the United States. It was a year when the country began to move away from its traditional isolationism and towards a more active role in world affairs. The attack on Pearl Harbor in December 1941 marked the beginning of the United States' participation in World War II.

The year 1941 was a year of great change and growth for the United States. It was a year when the country began to move away from its traditional isolationism and towards a more active role in world affairs. The attack on Pearl Harbor in December 1941 marked the beginning of the United States' participation in World War II. The year was also a year of significant economic growth and technological advancement. The war effort led to the development of new technologies and the expansion of the industrial base. The year 1941 was a year of great change and growth for the United States. It was a year when the country began to move away from its traditional isolationism and towards a more active role in world affairs. The attack on Pearl Harbor in December 1941 marked the beginning of the United States' participation in World War II.

1941 as a year

June 12th, 1973

In short, this market remains fairly free from speculative excesses and conceptually should reach the mid-70's over the next few months.

Remain firmly long and avoid placing stops.

N. Y. Silver:

July '73 246.60

A very significant downward revision of industry stocks for the last quarter of 1972 along with rising gold prices enabled silver futures to reach new all-time highs, with July '73 crossing 278.00 on June 5th.

Essentially, the Bureau of Mines adjusted final 1972 industry stocks figures to 52.1 Million from 63.6 million ounces & reported further that for the first quarter of 1973 they stood at a mere 45.9 million ounces. Those familiar with our inventory-cycle model developed last March (Commodity Comments, Mar. 27th) will no doubt see the extraordinary significance of this low level of stocks; in fact what we projected to be a potential re-stocking demand of the order of 30-45 million ounces over 3-6 months, may now turn out to no less than 90-105 million ounces, an absolutely staggering figure.

The Bureau of Mines quarterly statistics also show that consumption increased by 35% over the first quarter of 1972. When extrapolated, these figures could mean total end user consumption of 200 million ounces for 1973 vs. 149 million ounces for 1972.

An inponderable in the present bullish equation is what Nixon may do tomorrow night in his economic speech regarding the dollar. While any major moves on the domestic and international front may bring out some emotional selling, the strong underlying fundamental situation should eventually reassert itself & send prices into new high ground.

The small bulge in the open interest figures last week proved to be the harbinger of the recent shakeout. With July '73 touching 243.00 (intraday low), a 50% retracement of the May-June advance has already taken place. Thus, from a short term trading outlook the downward correction seems to have run its course.

Maintain previously established long position; new trading positions may be established at these levels. Again, we counsel against the use of stops loss orders in silver.

June 12th, 1973

<u>Live Cattle</u>	October '73	46.95
<u>Live Hogs</u>	October '73	39.22
<u>Bellies</u>	July '73	56.62

The mark up experienced to date has been relatively orderly while volume & open interest remain subdued. We're still looking for far higher prices ahead.

Remain long with no stops.

<u>Platinum:</u>	July '73	147.50
------------------	----------	--------

Despite its incredibly low valuation (vis a vis other precious metals) we have been dislodged from long positions by July closing below 152.00.

Chart support at this level should stop further erosion for the moment.

Canadian Silver Coins:

Spot	1150-1280
July '73	1200-1290
Sep. '73	1230-1320
Dec. '73	1270-1360
Mar. '73	1320-1390

A firm tone prevailed last week with strong dealer interest, good investor offtake & a paucity of offerings even at the higher levels.

Discount to bullion has narrowed to 11% on the offering prices from 17% prevailing two weeks ago.

Silver coins in circulation continue to drop off and the end of the barrel may be coming in sight.

Purchases of December '73 and March '74 will be amply rewarded providing bullion prices remain at least at these levels.

<u>World Sugar #11:</u>	July '73	9.29
	Sep. '73	8.99

Our long positions in September '73 sugar taken @8.90 were stopped out at 9.70 as per previous suggestion.

We were right in worrying about the huge open interest which indicated a very large public participation.

The low of the move may come on the 14th of this month, first notice day for July '73 sugar.

We'd prefer to buy call option on London October sugar at the time.

June 1951, 1952

October 1951	08.00
October 1952	08.00
July 1953	08.00

Five Dollars
Five Dollars
Five Dollars

The main objective of this study is to determine the effect of the various factors mentioned above on the rate of change in the level of the water table. It is assumed that the water table will rise during the summer months and fall during the winter months.

July 1951	10.00
July 1952	10.00

Five Dollars

The main objective of this study is to determine the effect of the various factors mentioned above on the rate of change in the level of the water table. It is assumed that the water table will rise during the summer months and fall during the winter months.

Grant support in this level should show further research for the moment.

Five Dollars

July 1951	10.00
July 1952	10.00
July 1953	10.00
July 1954	10.00
July 1955	10.00

The main objective of this study is to determine the effect of the various factors mentioned above on the rate of change in the level of the water table. It is assumed that the water table will rise during the summer months and fall during the winter months. The data for this study is presented in the following table:

July 1951	10.00
July 1952	10.00

Five Dollars

The main objective of this study is to determine the effect of the various factors mentioned above on the rate of change in the level of the water table. It is assumed that the water table will rise during the summer months and fall during the winter months. The data for this study is presented in the following table:

June 12th, 1973

Rubber:

July/Sep. '73	28.50-28.90p. per kilo
Oct./Dec. '73	28.30-28.40p. per kilo
July/Sep. '74	27.55-27.65p. per kilo

The spread continues to widen in our favor. More importantly, long positions suggested here last week at the 24.75 level are showing very handsome profits.

This market, long neglected, could become one of the real glamor situations of 1973. Contract calls for 15 tons; every 1.00 p. per kilo represents a £150 gain; margin is \$1000 and round turn commission is \$75.00.

Zinc:

3 months £243.50

Instead of puts we would have been well advised in buying calls.

At any rate, Put options bought for premium £6 at striking 214.50-218.50 can only lose us £150.00 regardless of how high Zinc goes.

Albert D. Friedberg
Vice-President
Commodity Futures

All statement made herein, while not guaranteed, are based on information considered reliable and are believed by us to be accurate.

1971 1972 1973

1971 1972 1973	1971 1972 1973	1971 1972 1973
1971 1972 1973	1971 1972 1973	1971 1972 1973
1971 1972 1973	1971 1972 1973	1971 1972 1973

1971 1972 1973

The purpose of this report is to provide a summary of the data collected during the period 1971-1973. The data was collected from various sources and is presented in the following tables.

The data is presented in the following tables:

Table 1: Summary of data collected during the period 1971-1973.
Table 2: Summary of data collected during the period 1971-1973.
Table 3: Summary of data collected during the period 1971-1973.

1971 1972 1973

1971 1972 1973

The data is presented in the following tables:

Table 1: Summary of data collected during the period 1971-1973.
Table 2: Summary of data collected during the period 1971-1973.
Table 3: Summary of data collected during the period 1971-1973.

1971 1972 1973

1971 1972 1973

1971 1972 1973

The data is presented in the following tables:

The data is presented in the following tables: