

Winners of LBMA's 2019 PRECIOUS METALS FORECAST SURVEY

LBMA is delighted to announce the results of its 2019 Precious Metals Forecast Survey. In January 2019, analysts provided their forecasts for what they thought the average price in 2019 would be for each of the four metals (gold, silver, platinum and palladium).

1oz gold bars kindly donated by PAMP were the reward for the analyst in each of the four metal categories whose forecast was closest to the actual average price in 2019. In the event of a tie, we take into account the analysts' forecast ranges.

Congratulations to the winning analysts and commiserations to the runners-up.

Metal	Actual price first half of January 2019 ^(a)	Analysts' 2019 forecast average	2019 actual year average	Winning Forecast
Gold	\$1,288.85	\$1,311.71	\$1,392.60	\$1,365
Silver	\$15.63	\$16.28	\$16.20	\$16.20
Platinum	\$809.50	\$850.71	\$862.90	\$855
Palladium	\$1,308.40	\$1,267.68	\$1,536.74	\$1,505

(a) 2-15 January 2019 inclusive (based on the pm LBMA Gold Price)



Au

Analysts were relatively bullish for gold in 2019 but their average forecast still fell \$80 short of the actual average price for the year of \$1,392.6. It's not surprising therefore that the most bullish analysts battled out the finish. Vying for the first prize were **Rene Hochreiter (Noah Capital Markets/Sieberana Research Pty Ltd)** and **Rhona O'Connell (INTL FCStone)** with their forecast of \$1,365. We couldn't split them even after taking into account their ranges, so they shared first place and each secure a 1oz gold bar.

For Rene this represented his seventh winning prize, which puts him alongside Ross Norman as the analyst with the highest number of first place finishes.

Breathing down their necks in third place, closely following up on his second place finish in the 2018 Survey, was Hans-Guenter Ritter (Heraeus) with his forecast of \$1,355.



Ag

The actual average price out turned at \$16.20 not far off the \$16.28 which analysts had on average forecast. Out in front was **Bernard Dahdah (Natixis)** whose forecast was spot on the money at \$16.20, which was certainly impressive forecasting. Stealing second place was James Steel (HSBC), who was just seven cents away with his forecast of \$16.27. In third spot was Matthew Turner (Independent) with a forecast of £16.10. It was fitting to see Bernard scoop first prize here as he narrowly missed out last year by 10 cents to finish runner-up.



Pt

Of the prospects for the four metals in 2019, analysts were most bullish about platinum with an average forecast of \$850.71 against an actual price of \$862.90, so they were only \$12 off-track. In one of the tightest-ever finishes, two analysts, **Frederic Panizzutti (MKS PAMP Group)** and **Bernard Dahdah** could not be separated. With the same forecast of \$855, a dead heat was the only fair outcome and so they both receive a 1oz gold bar. In a close call for third place was Suki Cooper (Standard Chartered) with her forecast of \$874.



Pd

Surprisingly, given what happened to palladium in 2019, analysts took a bearish view of its prospects in 2019. They forecast prices to fall 3.1% to an average of just \$1,267.68. How wrong they were, with palladium being the best performing metal, ending the year at \$1,920, nearly \$700 up on 2019. With the average price in 2019 of \$1,536.74, the finish was dominated by those analysts who adopted a bullish forecast.

The most bullish of all was **Ross Norman (Independent)** whose forecast of \$1,505 was just \$30 off the actual average. This represented Ross's second first prize in the last two Surveys and his seventh first prize overall, which puts him alongside Rene as the analyst with the highest number of first place finishes. It was fitting therefore that second place should go to no other than Rene with his forecast of \$1,418, followed closely by William Adams (Fastmarkets) in third place with his prediction of \$1,410.

1oz Gold Bar Prizes

Congratulations to all the winners who will each receive a 1oz gold bar, kindly donated by **PAMP**.

See our **website** for further details.



HISTORICAL REFLECTIONS ON LBMA'S PRECIOUS METALS FORECAST SURVEY

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Tabl 1: Top 20 Weighted Score, 1998 to 2019

	Contributor	Total number of forecast contributions ^(a)	1st	2nd	3rd	Total points	Weighted average
1	Dahdah, Bernard	20	4	3	2	20	1.00
2	Stevens, Glyn	30	5	2	2	21	0.70
3	Holmes, David	12	2	1	0	8	0.67
4	Lasserre, Frederic	12	1	2	0	7	0.58
5	Hawkes, Neil	15	2	1	0	8	0.53
6	Norman, Ross	72	7	4	5	34	0.47
6	Hochreiter, Rene	60	7	3	1	28	0.47
8	Smith, Andy	24	2	2	1	11	0.46
9	Kendall, Tom	36	4	1	2	16	0.44
10	Graf, Adam	12	1	1	0	5	0.42
11	Reade, John	27	1	3	2	11	0.41
11	Nagao, Eddie	32	1	5	0	13	0.41
13	Williamson, Alan	20	1	1	2	7	0.35
14	Klapwijk, Philip	76	6	2	4	26	0.34
15	Jollie, David Dr	22	1	1	2	7	0.32
16	Zumpfe, Alexander	16	0	2	1	5	0.31
16	Panizzutti, Frederic	72	5	1	5	22	0.31
18	Teves, Joni	20	2	0	0	6	0.30
18	Cooper, Suki	44	2	3	1	13	0.30
20	Proettel, Thorsten	24	1	1	2	7	0.29
20	Steel, James	52	1	5	2	15	0.29

(a) Only those analysts who have made 12 or more forecast contributions are included in the table. Points awarded on the following basis: 1st prize three points, 2nd place two points and 3rd one point. The weighted average is calculated by dividing the total number of points by the total number of forecast contributions. Those shaded no longer contribute to the Forecast Survey.

The first survey was conducted in 1997 when analysts were required to provide high and low forecast ranges for gold and silver along with accompanying commentaries.

The requirement to also provide an average price forecast was introduced in 1998 and, at the same time, prizes of a 1oz gold bar for both the gold and silver categories were awarded to the analyst whose forecast average was closest to the actual average price. In 2002, platinum and palladium joined the party. Nineteen analysts contributed to the 1998 survey, with nearly twice as many taking part in 2020. Rhona O'Connell contributed to the first survey, and she has the distinction of being the only analyst still contributing!

WE THOUGHT THAT IT WOULD BE INTERESTING TO COMPILE ALL THE RESULTS OF THE SURVEYS INTO A TABLE – CALL IT THE PREMIER LEAGUE OF WORLD FORECASTERS!

And just to prove that she has lost none of her forecasting prowess, Rhona grabbed first prize for gold in last year's forecast. The international dimension to the survey continues to this day, with contributors located in some of the world's major cities, including London, New York, Tokyo, Shanghai, Beijing, Perth, Toronto and Cape Town. You can read the results of the 2019 survey on page 16 and the 2020 Forecast Survey is available on our website.

We thought that it would be interesting to compile all the results of the surveys into a table – call it the Premier league of world forecasters! As with any statistics, it is possible to represent the results in many ways, so to be as fair as possible, whilst at the same time keeping things as simple as possible, we have prepared two tables. In doing so, we have applied some basic rules. First of all, we have adopted a points scoring system, with three points awarded for finishing first in each metal category, two for second and one for third. We have considered only those analysts who have made at least 12 forecast contributions.

INTERNATIONAL DIMENSION TO THE SURVEY CONTINUES TO THIS DAY WITH CONTRIBUTORS LOCATED IN SOME OF THE WORLD'S MAJOR CITIES



Table 2: Top 20 Contributors Total Points, 1998 to 2019

Contributor	Total number of forecast contributions ^(b)	1st	2nd	3rd	Total points
1 Norman, Ross	72	7	4	5	34
2 Hochreiter, Rene	60	7	3	1	28
3 Klapwijk, Philip	76	6	2	4	26
4 Panizzutti, Frederic	72	5	1	5	22
5 Stevens, Glyn	30	5	2	2	21
6 Dahdah, Bernard	20	4	3	2	20
7 Kendall, Tom	36	4	1	2	16
8 Steel, James	52	1	5	2	15
9 Cooper, Suki	44	2	3	1	13
9 Nagao, Eddie	32	1	5	0	13
9 Takai, Bob	48	4	0	1	13
12 Smith, Andy	24	2	2	1	11
12 Reade, John	27	1	3	2	11
14 Turner, Matthew	58	3	0	1	10
15 Fertig, Peter	40	1	2	2	9
15 O'Connell, Rhona	46	2	1	1	9
17 Holmes, David	12	2	1	0	8
17 Hawkes, Neil	15	2	1	0	8
17 Bahr, Robin	44	2	0	2	8
20 Lasserre, Frederic	12	1	2	0	7
20 Williamson, Alan	20	1	1	2	7
20 Jollie, David Dr	22	1	1	2	7
20 Savant, Rohit	32	2	0	1	7
20 Proettel, Thorsten	24	1	1	2	7
20 Adams, William	36	1	1	2	7
20 Melek, Bart	28	1	1	2	7

(b) Points awarded on the following basis: 1st 3 points, 2nd two points and 3rd 1 point. Those shaded no longer contribute to the Forecast Survey.

On this basis, two tables have been compiled, one based on a weighted score (see Table 1), the other based on absolute number of points scored (see Table 2).

Table 1 shows Bernard Dahdah out in front with a weighted score of 1.0 points from his 20 forecast contributions (his haul includes four first prizes). In second place is Glyn Stevens with a return of 0.7 from 30 forecasts (Glyn only participates for PGMs), which includes an impressive five first prizes.

If we look at Table 2, Ross Norman is out in the lead thanks to taking first prize for platinum in last year's survey, which takes his haul to 34 points. René Hochreiter is in second place on 28 points following his first place finish for gold in the 2019 survey. Both Ross and René have each collected a record seven first prizes. In third place is Philip Klapwijk with 26 points, followed by Frederic and Glyn, with Bernard moving up the table into sixth place following his two first prizes in last year's survey.

Nine analysts have won two first prizes in the same year



2004

MATTHEW TURNER began the trend in securing the first prize for gold and palladium.

2007

ROSS NORMAN (silver and platinum)

2008

BOB TAKAI (silver and palladium)

2009

PHILIP KLAPWIJK (gold and silver)

2011

ROHIT SAVANT (platinum and palladium)

2013

RENE HOCHREITER (gold and silver)

2015

GLYN STEVENS (platinum and palladium)

2016

JONI TEVES (gold and silver)

2019

BERNARD DAHDAAH (silver and platinum)