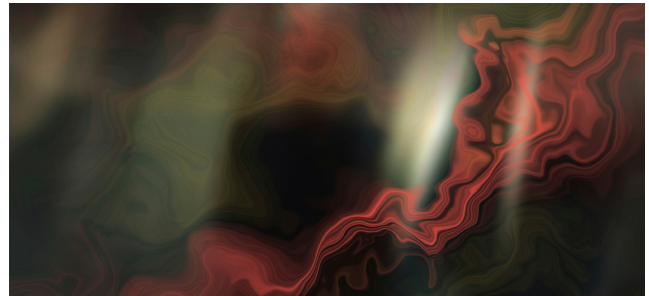


Favor commodities

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- **Why?** 1) Commodities have historically shown low correlation with equities and bonds, providing portfolio resilience during periods of market volatility. 2) Gold remains an effective portfolio diversifier amid rising government debt and continued geopolitical uncertainties. 3) The global shift toward clean energy is also making industrial metals a key long-term investment theme.
- **Why now?** 1) Copper and aluminum are likely to remain undersupplied, supporting further price gains in 2026. 2) Tightness in cocoa, coffee, and weather risks in grains create attractive entry opportunities for agricultural commodities. 3) In addition, energy commodities can offer a hedge against geopolitical shocks, especially in the Middle East.



Commodities are poised for attractive returns in 2026, offering portfolio resilience amid supply-demand imbalances, geopolitical risks, and the global energy transition. Source: Woliul Hasan_Unsplash

Video: [Favor commodities: Further upside for gold, silver & oil](#)

Precious metals

Precious metals have had an exceptionally strong run in 2025 as political and economic uncertainty drove “safe-haven” demand. A late-2025 consolidation was unsurprising after such a rapid rally, but we see further upside to gold and silver in 2026. Gold remains a valuable hedge, supported by central bank buying, large fiscal deficits, and ongoing geopolitical risks. Silver also benefits from rising demand in electronics and photovoltaics.

Energy

Oil prices have lagged other commodities in 2025 amid slower-than-expected demand growth and ample supply from the Americas. That said, we expect a combination of stalling supply growth in non-OPEC+, and a modest demand recovery to push prices meaningfully higher from mid-2026. Energy commodities can also offer a hedge against geopolitical shocks, especially in the Middle East.

Industrial metals

Industrial metals performed well in 2025, especially copper, which benefited from supply disruptions linked to operational, geopolitical, and environmental issues. Looking ahead to 2026, both copper and aluminum are projected to encounter further supply shortages that may push prices higher. The global transition to clean energy and electrification continues to drive demand for these metals, making them a key structural investment.

Agriculture and livestock

After a year of poor performance, we believe agricultural commodities offer a compelling entry point. Ongoing tightness in cocoa and coffee, and emerging weather-related risks in grains could drive higher prices over the year ahead. Investors should consider agriculture for its improving fundamentals and low correlation to economic cycles. For livestock, record-low female cattle numbers and shrinking hog margins in the US are supportive for prices.

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Most attractive – We consider this asset class to be among the most attractive. Investors should seek opportunities to add exposure.

Attractive – We consider this asset class to be attractive. Consider opportunities in this asset class.

Neutral – We do not expect outsized returns or losses. Hold longer-term exposure.

Unattractive – We consider this asset class to be unattractive. Consider alternative opportunities.

Least attractive – We consider this asset class to be among the least attractive. Seek more favorable alternative opportunities.

Appendix

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