

“Navigating the Commodity Terrain”

By Darren R. Frye



Special Thanks



Eric De Groot's Insights

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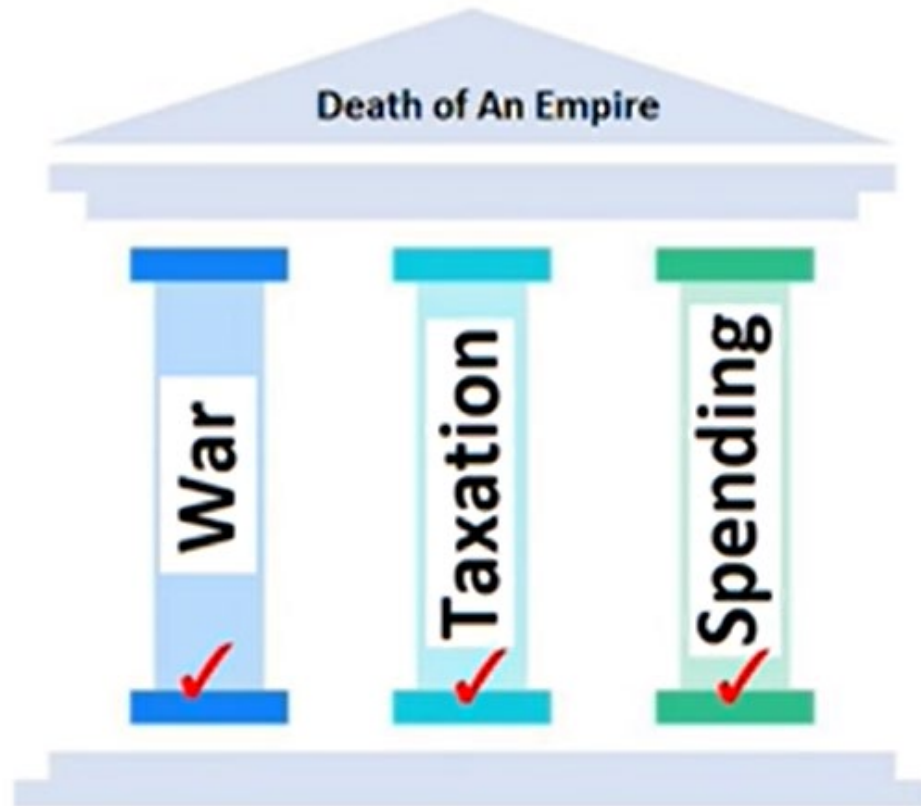
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Outline

- ✓ 30 Year Commodity Cycle
- ✓ Yield Curve – Interest Rate Cycle
- ✓ Economic Activity Composite
- ✓ Credit Market Debt / Gross Domestic Product
- ✓ Government Inflows and Outflows
- ✓ \$1 of Debt / Annual Income
- ✓ Confidence
- ✓ Commodity Charts
- ✓ Transitional Assets
- ✓ Plan for Change
- ✓ Summary

Failure of an Empire



Three Pillar of Government Excess

Recession or Worse



2024

* Risks are rising

* Yield Curve

Distortions

Timing

* Economy

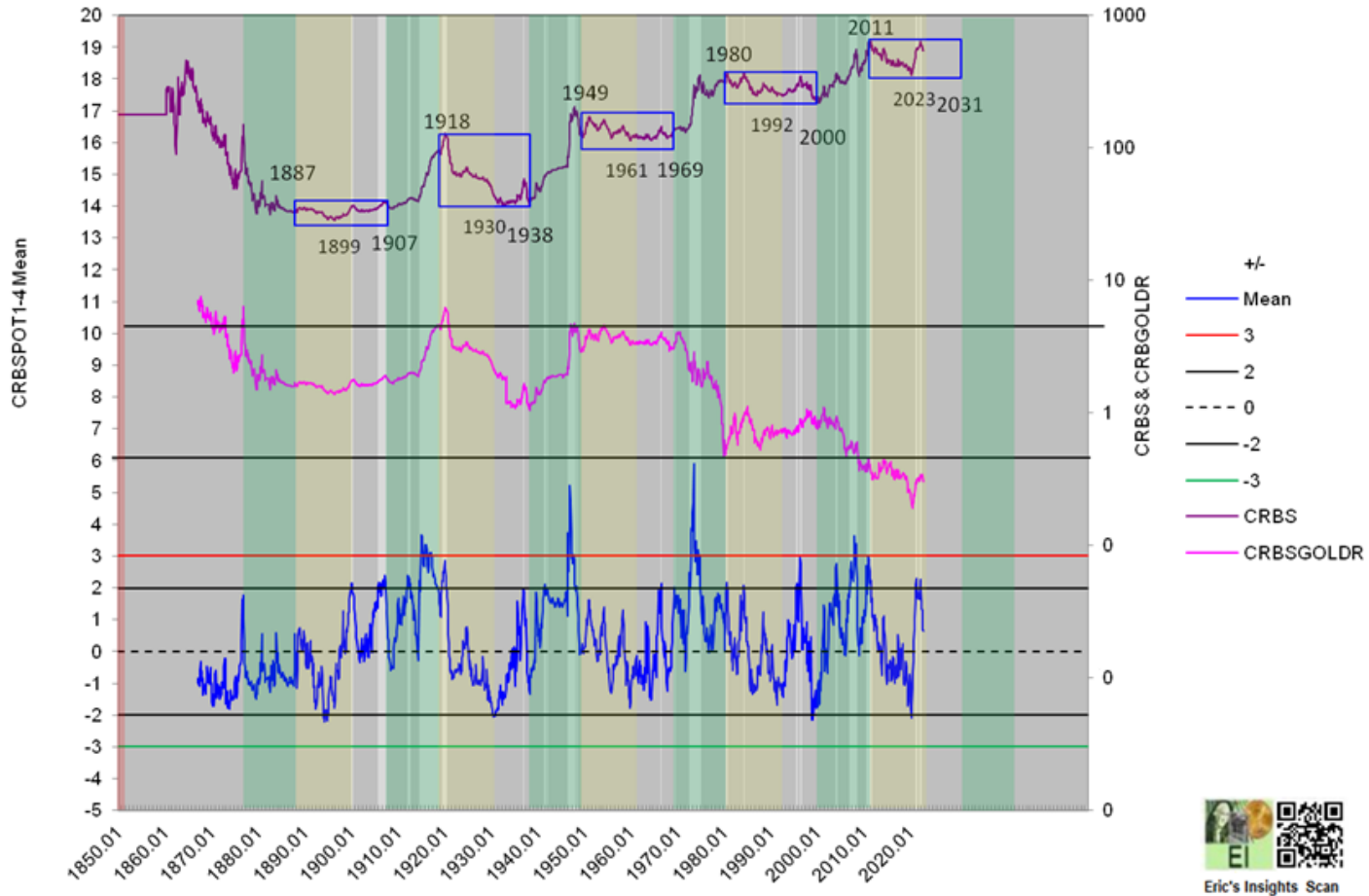
EAC

* Can The Fed Kick The Can Down The Road?

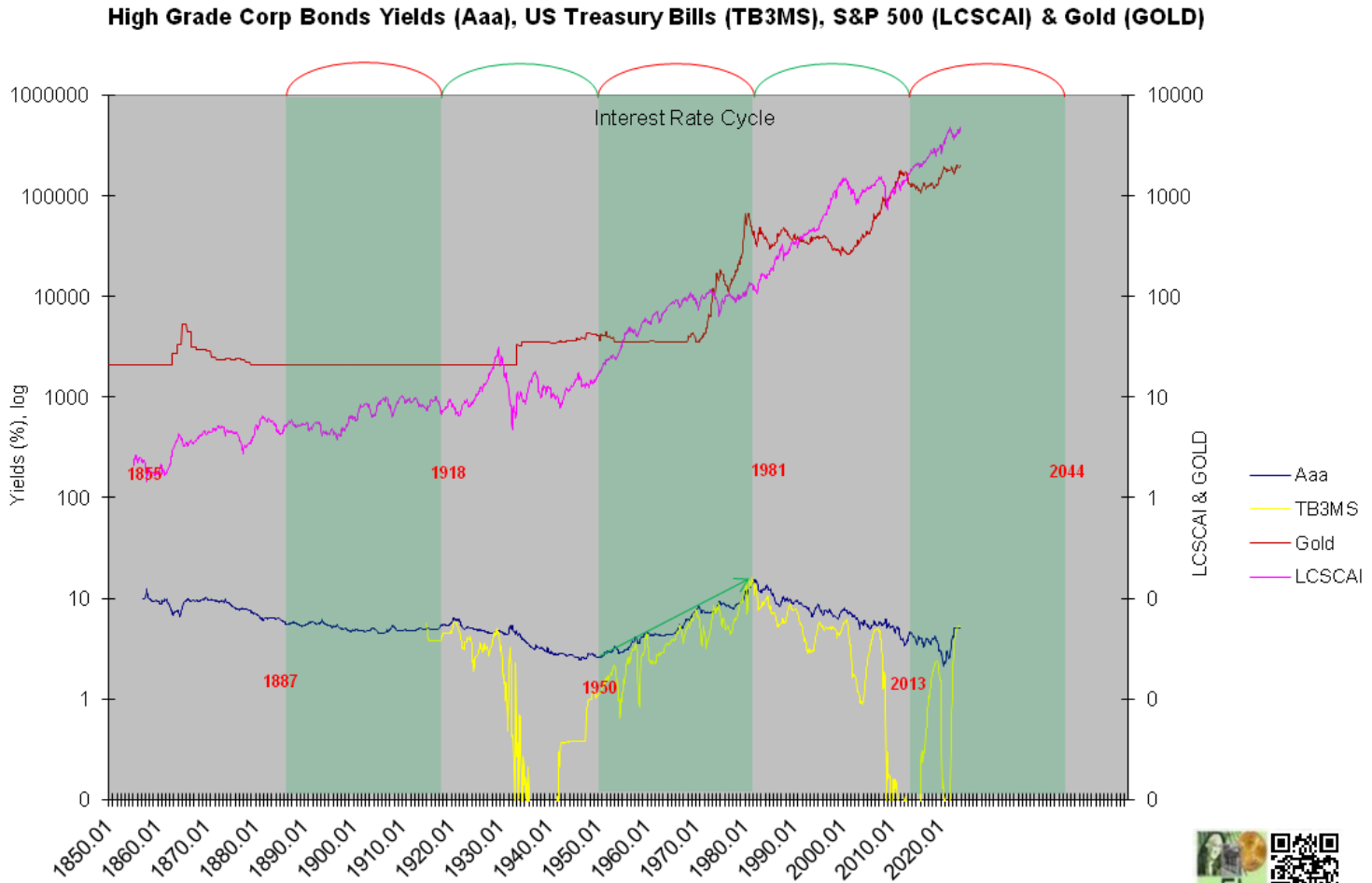
* Where is money going to hide?

Commodity Cycle

Spot Commodity Prices: CRB Spot Index (1947 - Present); 16-Raw Industrial Spot Price (1935-1947); Great Britain Wholesale Price of All Commodities (1885-1935), CRB to Gold Ratio & Cycle Mean



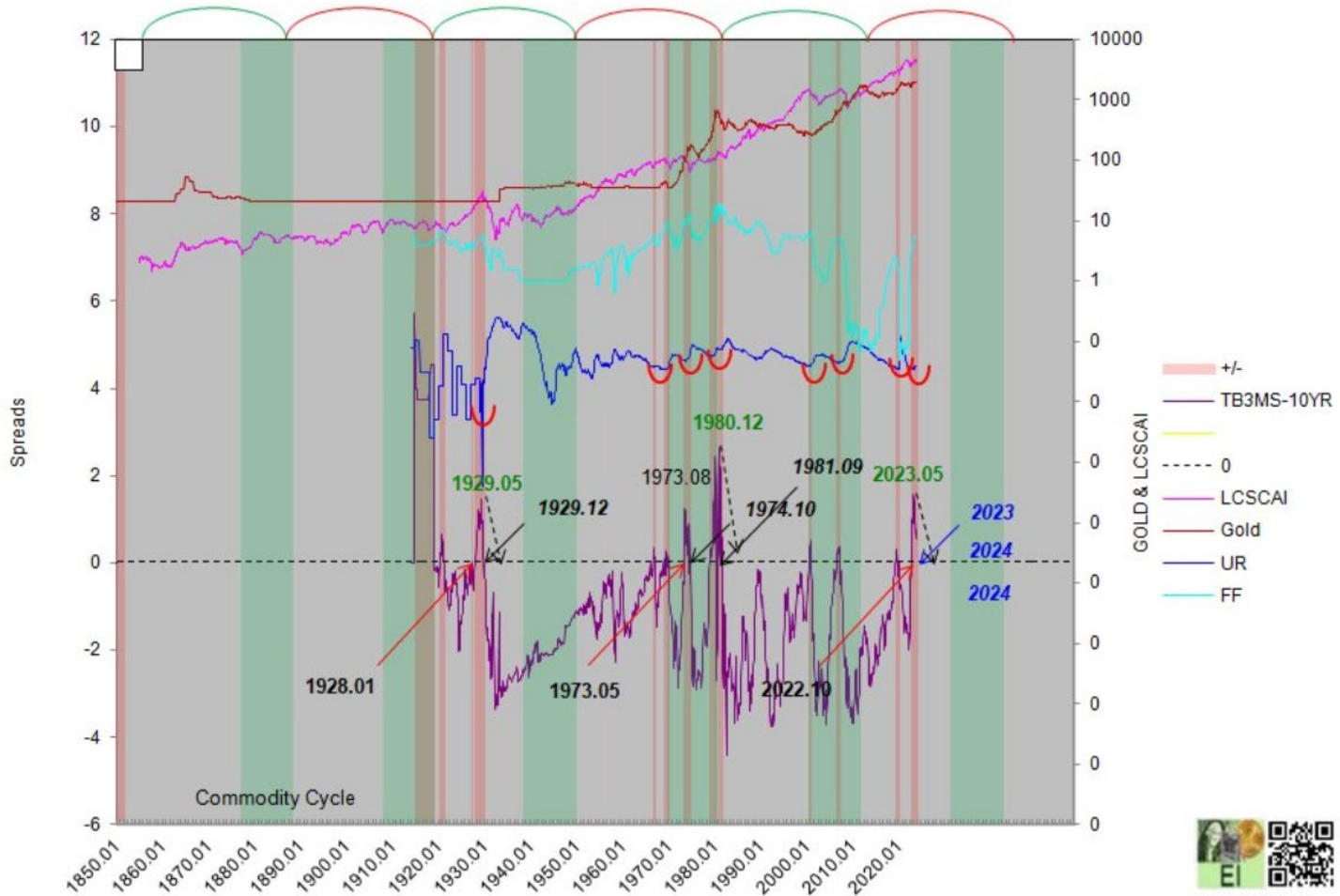
Long-Term Interest Rate Cycle



Eric's Insights Scan

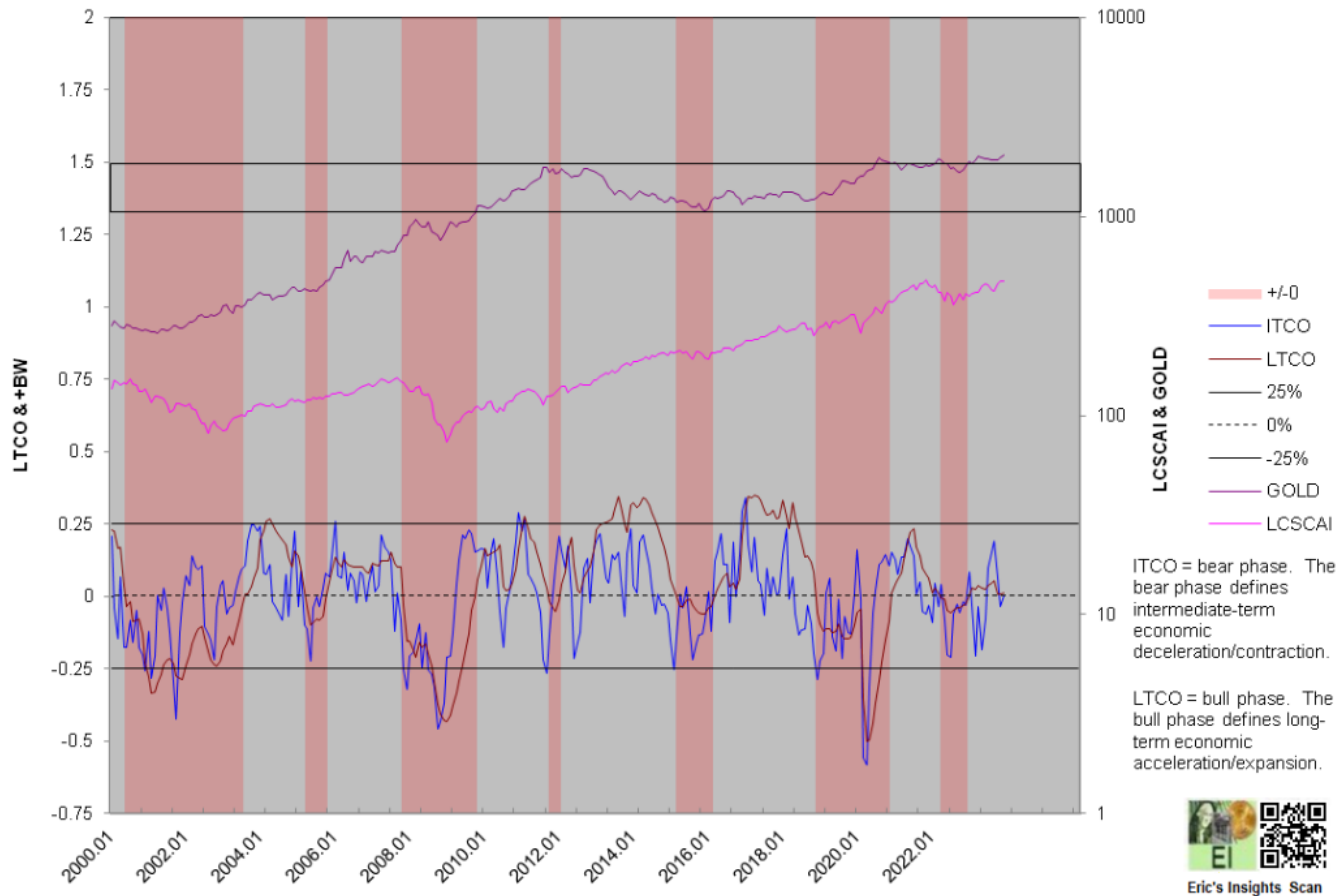
Yield Curve

Spreads (TB3MS-10YR, TB3MS-TBD, TB3MS-FF), SP 500 (LCSCAI), Gold & Unemployment Rate (UR)



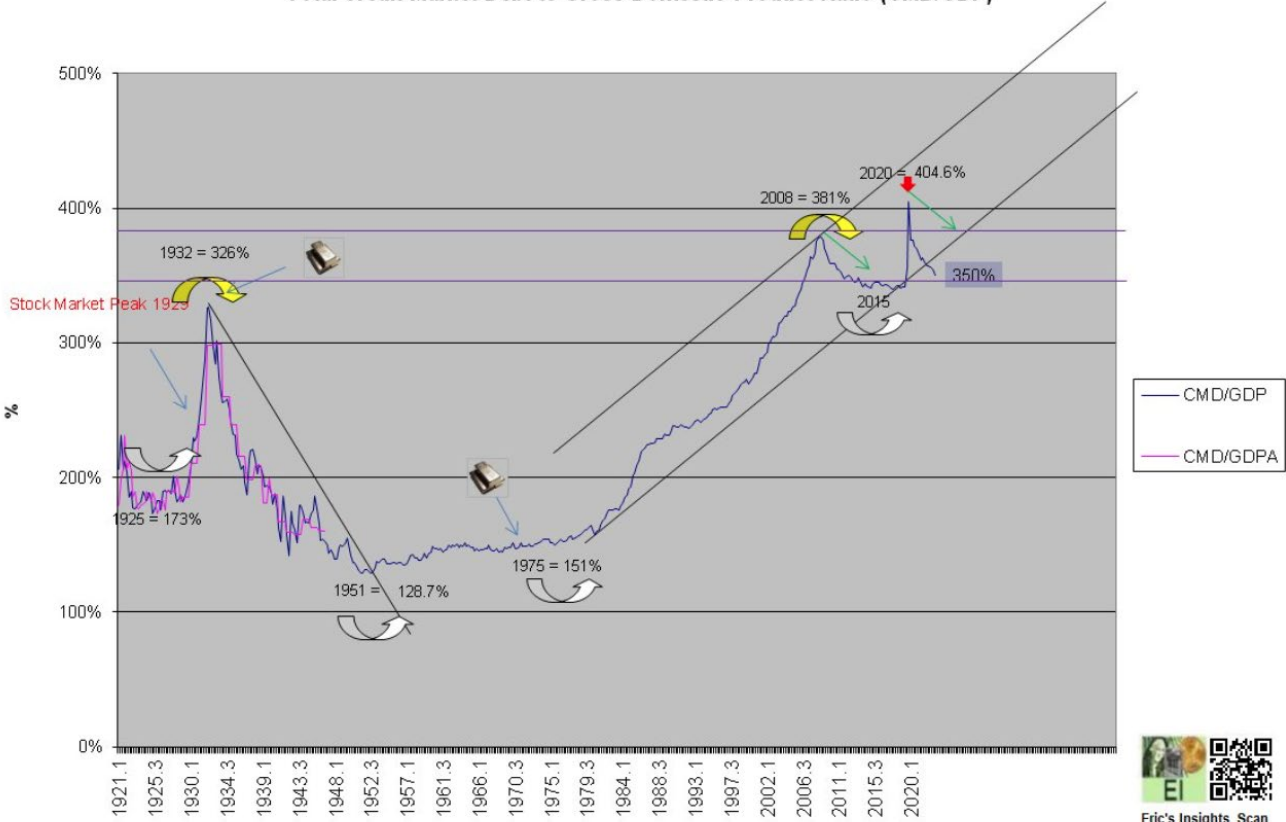
Economic Activity Composite

S&P 500 (LCSCAI), Gold (GOLD) & Long-Term Economic Activity Composite (LTCO) & Volatility (BW)



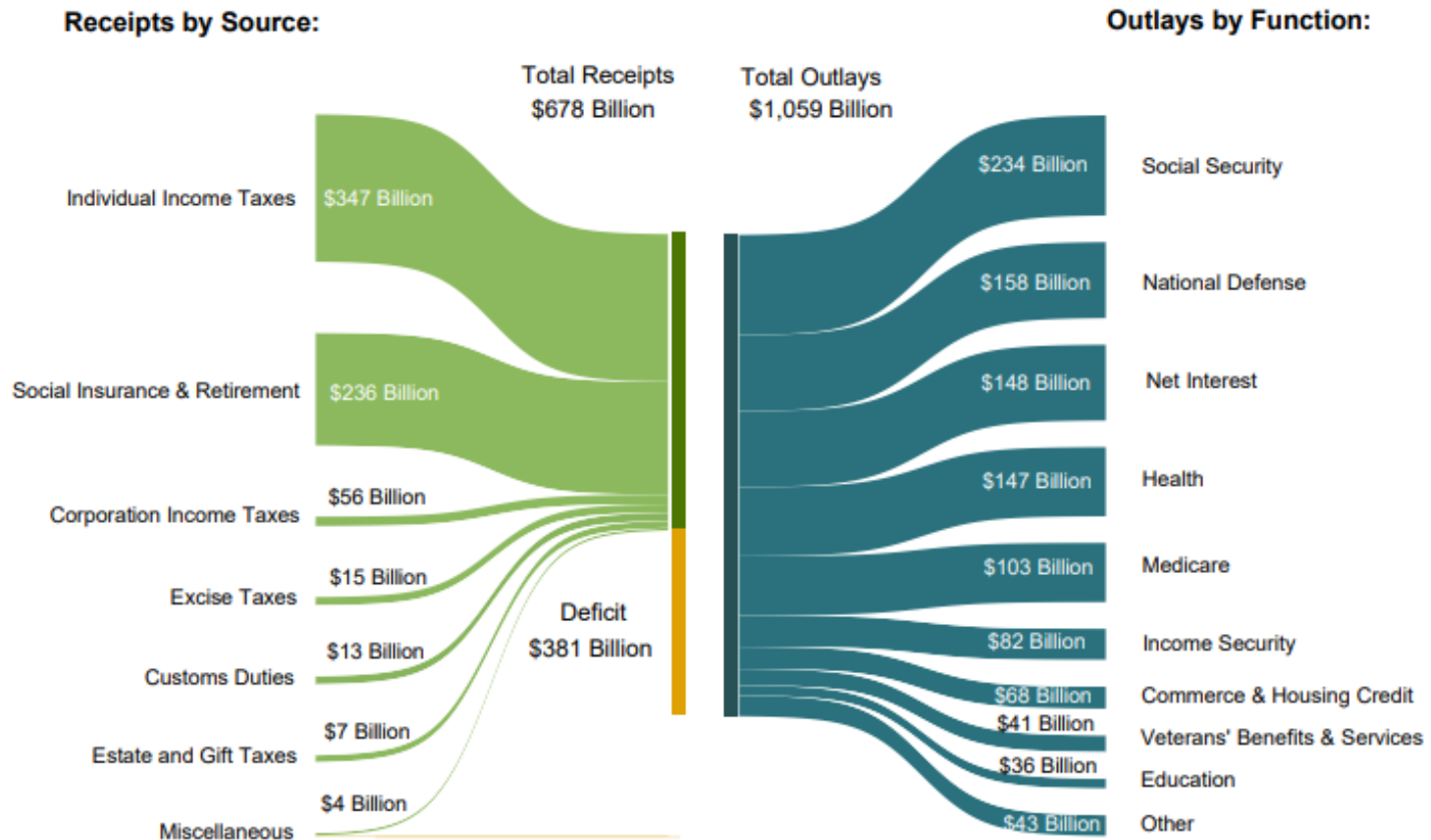
Credit Market Debt / Gross Domestic Product

Total Credit Market Debt to Gross Domestic Product Ratio (CMD/GDP)



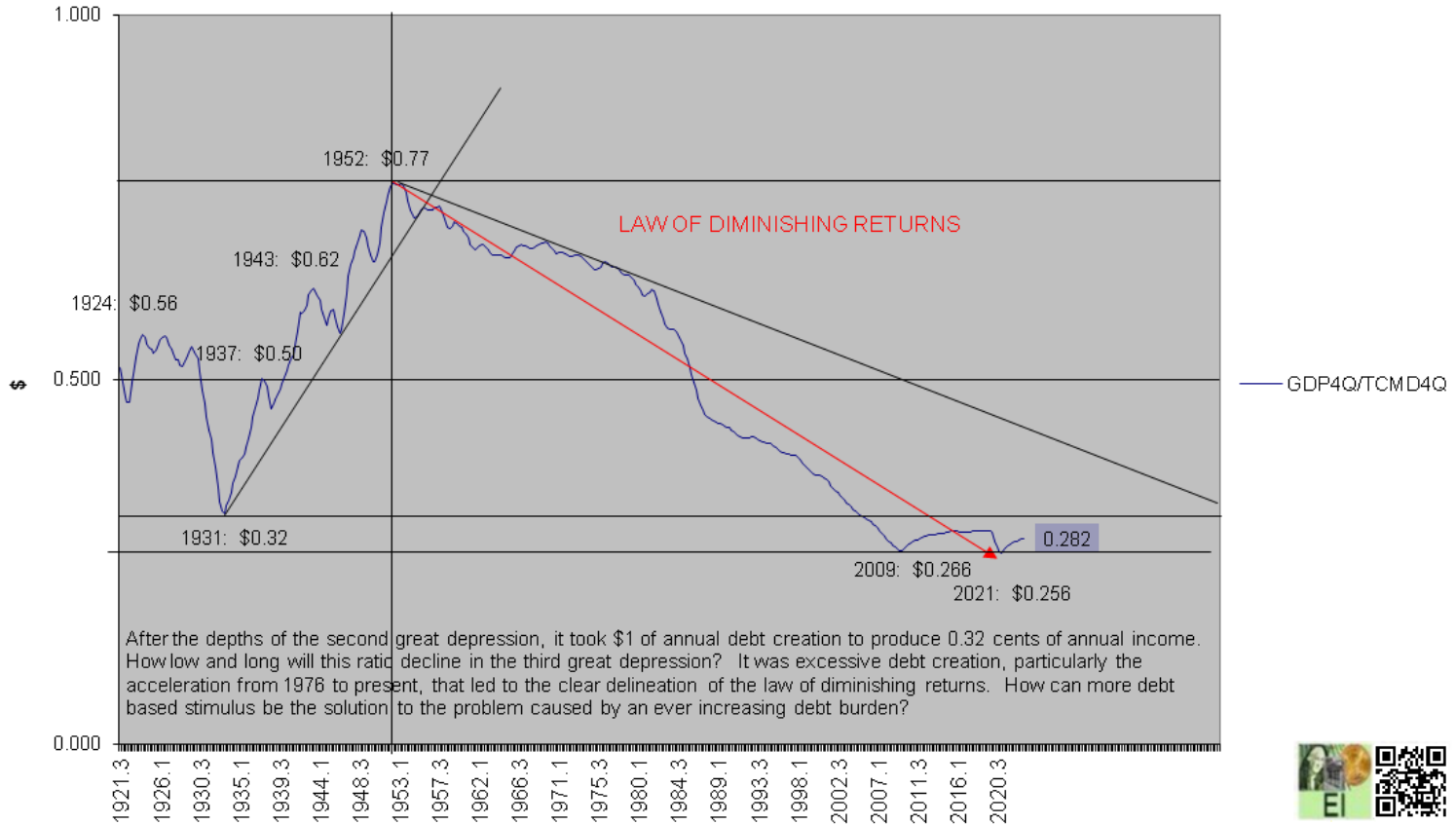
Inflows and Outflows Fiscal 24

Figure 2. Cumulative Receipts, Outlays, and Surplus/Deficit through Fiscal Year 2024



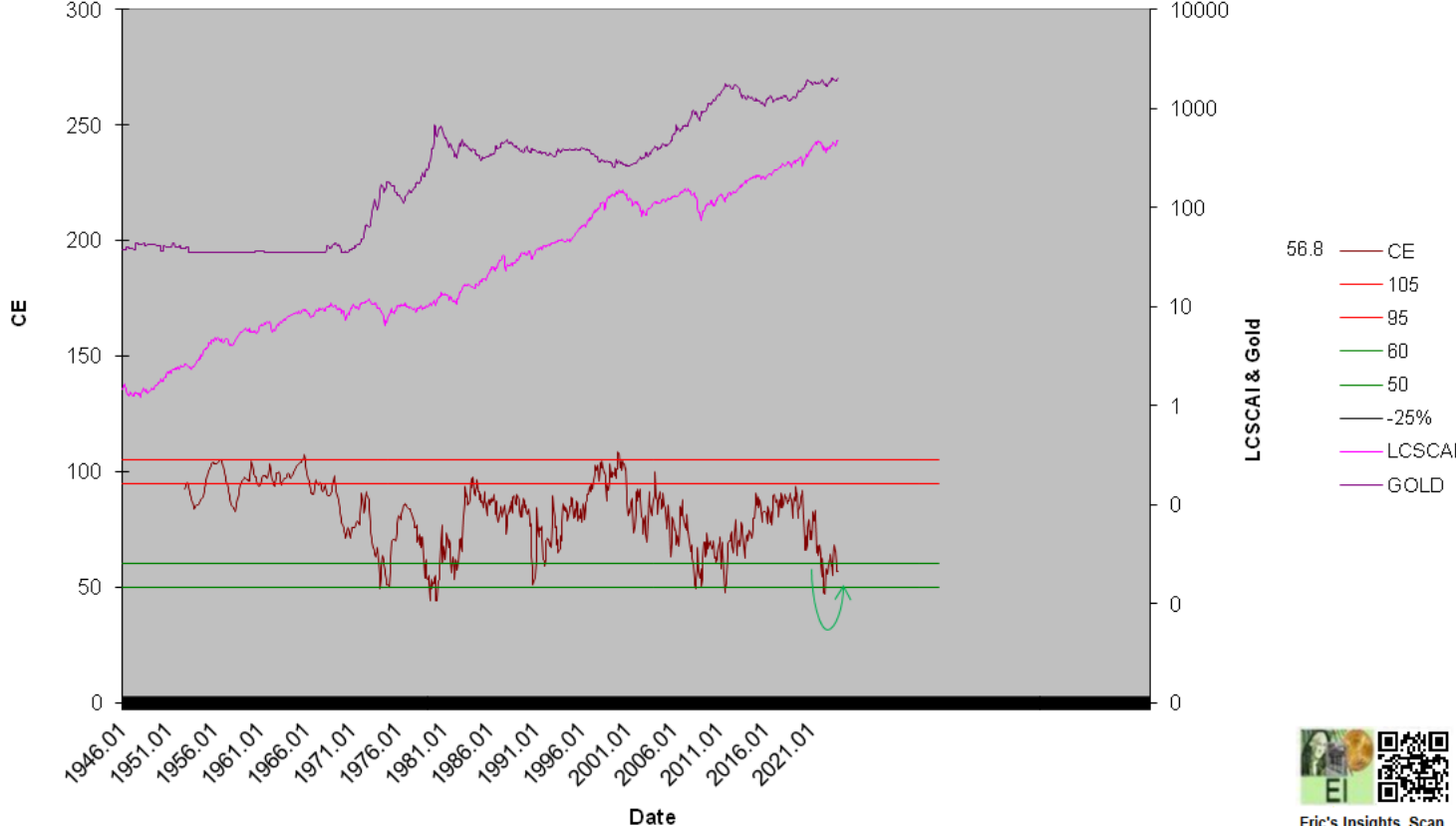
\$1 of Credit / \$ Annual Income

**Annual Gross Domestic Product (GDP) per Annual Total Credit Market Debt (TCMD):
Annual Income Growth per Debt Creation**



Consumer Confidence

Gold & Survey of Consumers Consumer Expectations (CE)



Eric's Insights Scan

Joke

Three contractors are bidding on a broken fence at the White House. One from Nashville, another from Orlando, and the third from Chicago.

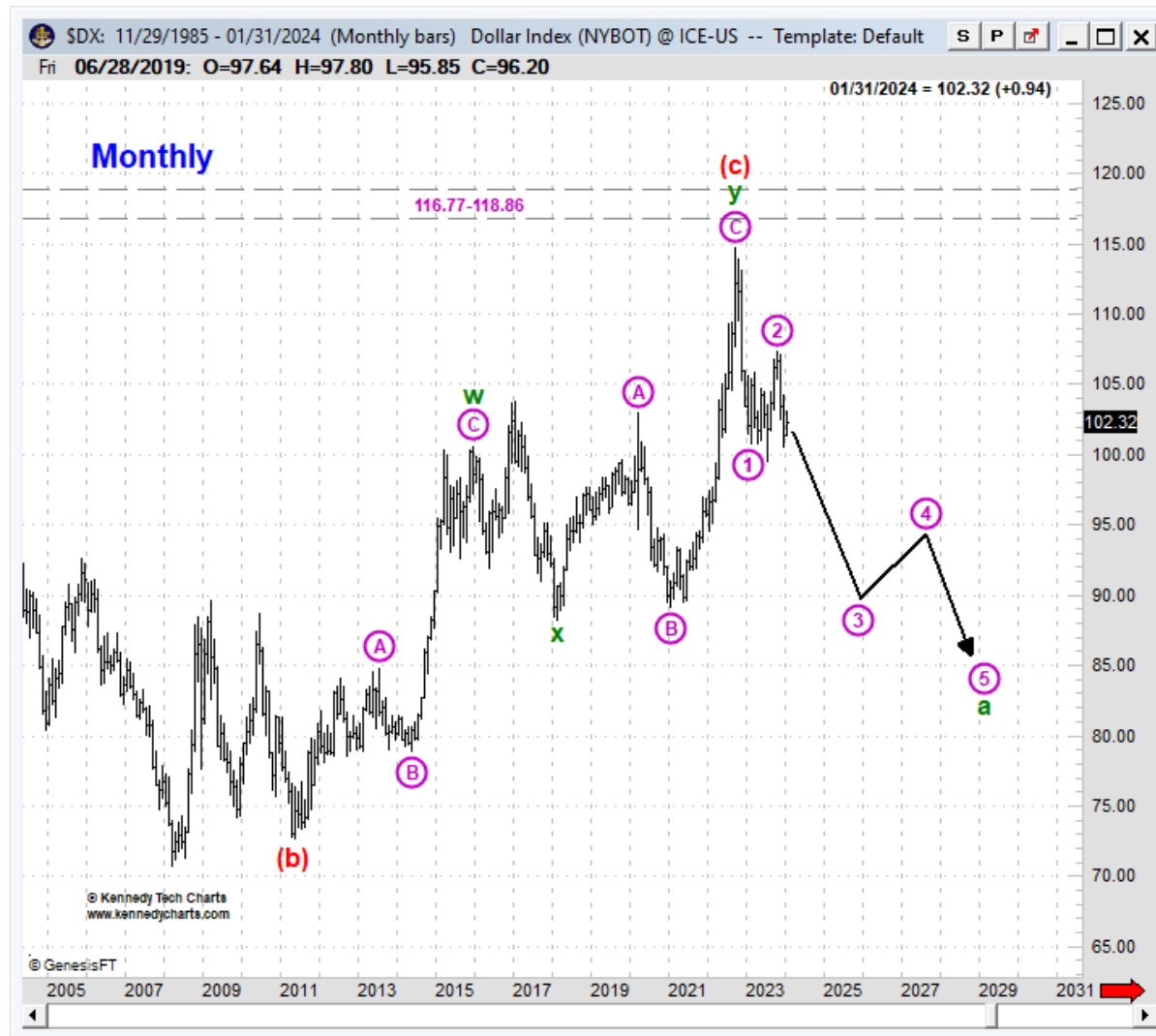
Nashville - \$700

Orlando - \$900

Chicago - \$2700

And that my friends is how our government works !

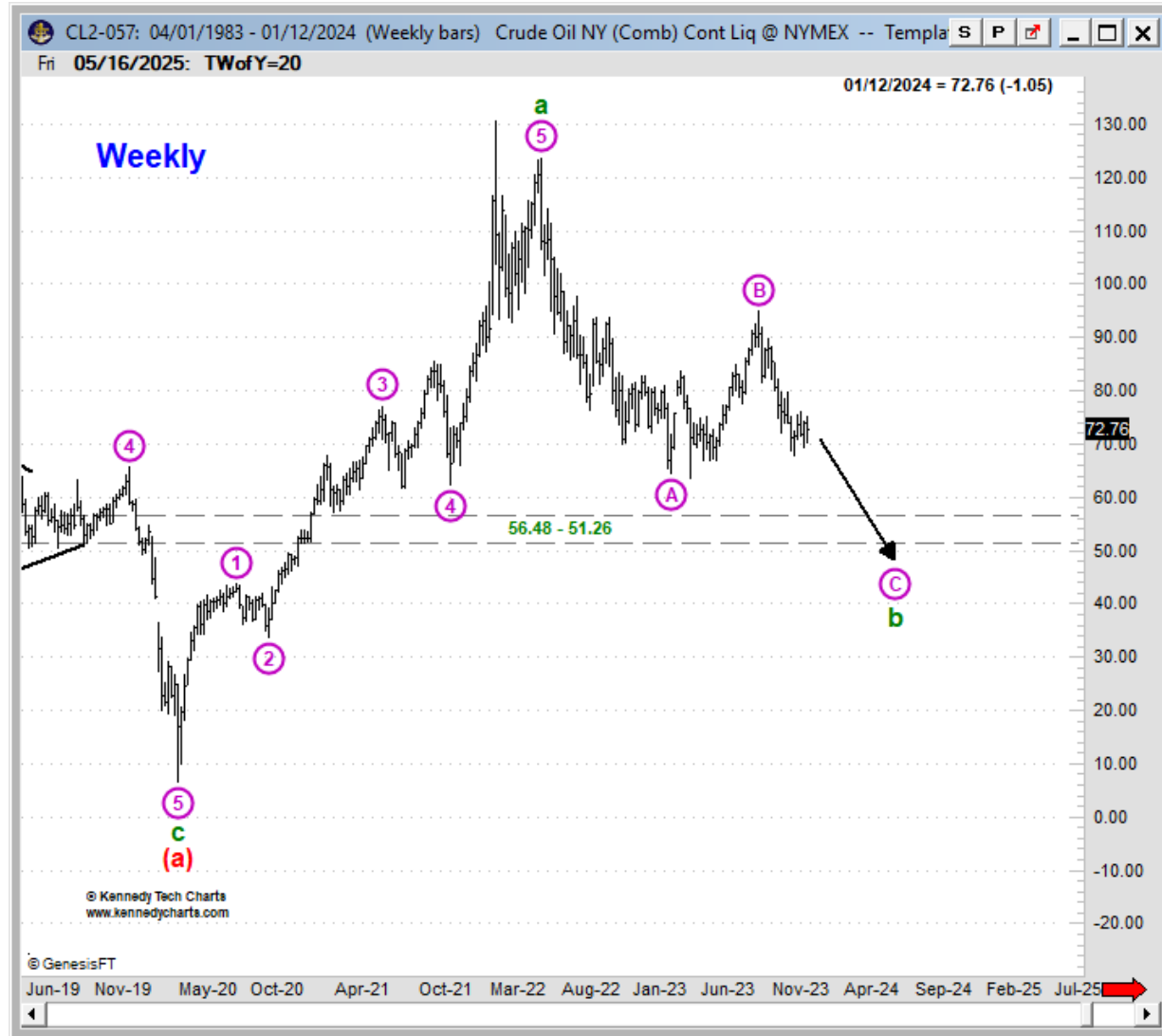
US Dollar – Monthly



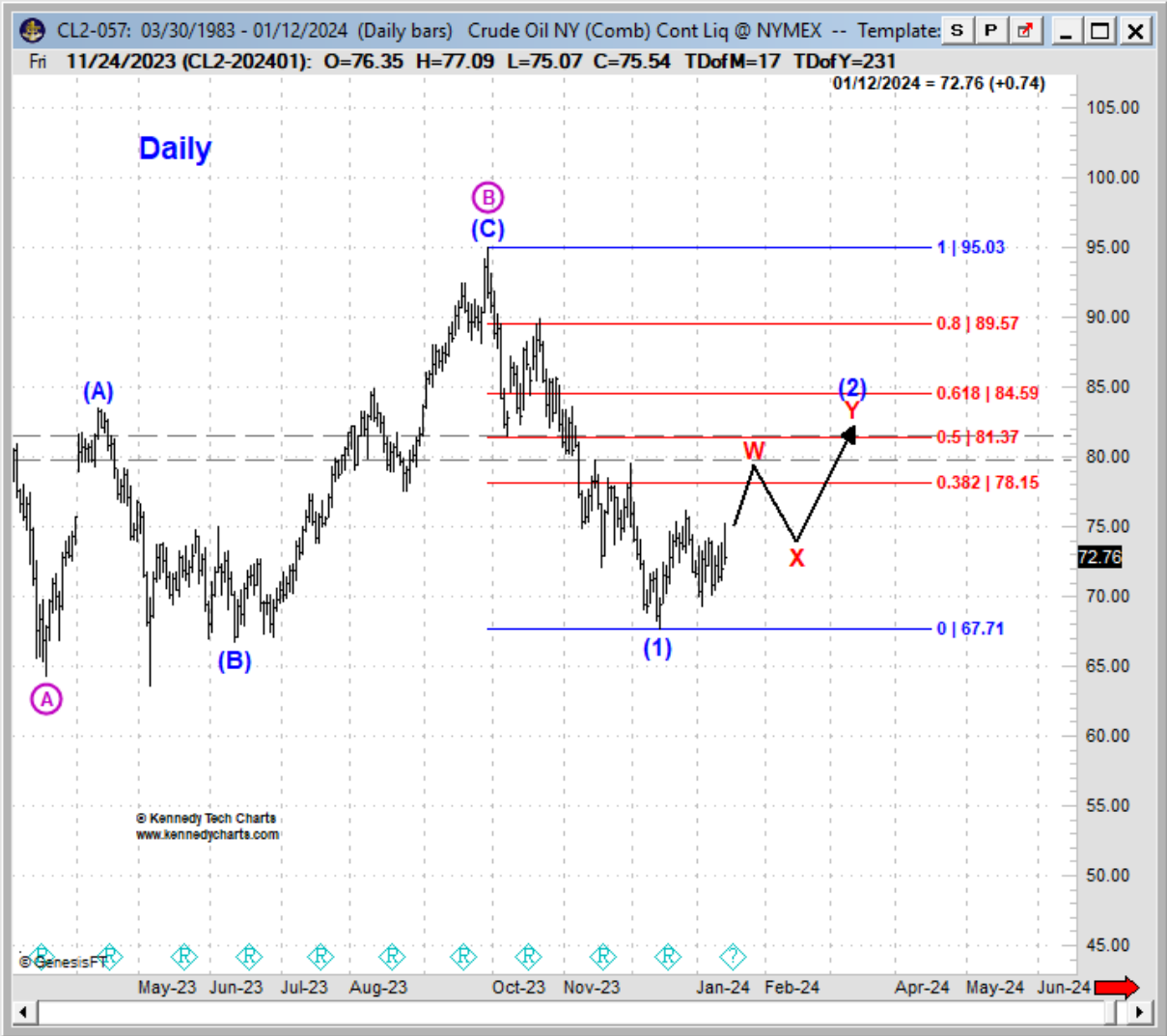
US Dollar - 2 Day



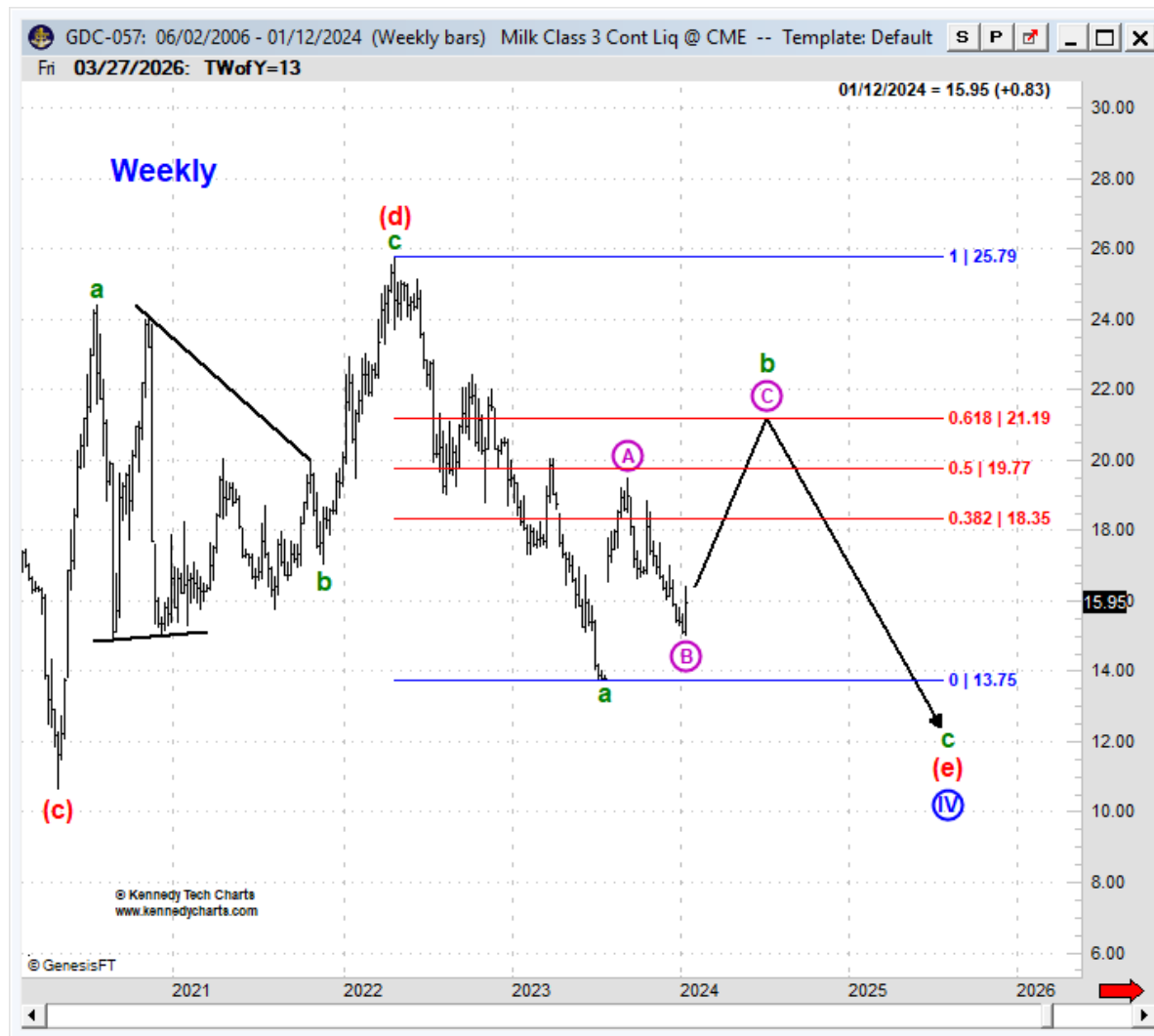
Crude Oil – Weekly



Crude Oil - Daily



Milk – Weekly



Milk - 2-Day



Plan for Change

- ✓ Awareness
- ✓ Manage Debt
- ✓ Transitional Assets
- ✓ Manage Profit Margins/Proactive Hedging
- ✓ Industry Consolidation
- ✓ Manage Growth

Transitional Assets

- ✓ Owned Outright
- ✓ No Counter Party Risk
- ✓ Non-Depreciable
- ✓ Widely Recognizable
- ✓ Liquidity

Summary

- ✓ Big Changes- Horizon
- ✓ Dig Your Well, Before Thirst Sets In
- ✓ Opportunities Abound
- ✓ Exercise Wisdom and Caution
- ✓ Blessings- 2024 and Beyond



Questions?

For More Information

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