



Daily Resources Overview

Tuesday 19 September 2017

Commodity price movement

Commodity	Price	1D %ch	1M %ch	1Y %ch	YTD %ch
Precious Metals (COMEX)					
Gold (US\$/oz)	1307.45	-1.1	1.3	0.3	14.5
Silver (US\$/oz)	17.22	-2.5	1.5	-10.2	8.2
Platinum (US\$/oz)	961.58	-0.9	-1.7	-5.8	6.4
Industrial Metals (LME)					
Copper (US\$/t)	6474.75	0.2	0.3	35.7	17.2
Aluminium (US\$/t)	2060.25	0.2	-0.5	31.8	20.9
Lead (US\$/t)	2364.25	1.4	1.2	22.1	18.2
Zinc (US\$/t)	3127.50	2.8	0.3	42.1	22.3
Tin (US\$/t)	20700.00	0.8	2.3	8.4	-2.0
Nickel (US\$/t)	11164.00	1.4	2.2	15.4	12.0
Bulks					
Iron Ore (US\$/t)	71.76	-0.5	-7.9	28.2	-9.0
Coking Coal (US\$/t)	206.20	-0.5	6.0	0.2	-8.8
Thermal Coal (US\$/t)	98.16	-3.6	6.4	47.2	3.9
Energy					
Brent Crude (US\$/bbl)	55	-0.3	5.8	10.3	-5.7
Natural Gas (US\$/MMBtu)	3.24	3.5	10.2	5.5	-12.0
Uranium (US\$/lb)	20.65	0.0	-0.7	-18.4	1.0
Softs					
Wheat (US\$/bu)	444	-1.2	0.2	-8.5	-4.6
Sugar (US\$/lb)	15	-1.6	5.3	-24.1	-19.7
Corn (US\$/bu)	352	-0.9	-3.9	-8.7	-7.5
Soy (US\$/bu)	988	-0.1	3.2	1.6	-2.2
Cotton (US\$/lb)	70	0.4	3.9	3.9	-0.3
Other					
CRB Comdty Index	428	-0.3	-2.3	7.0	1.1

Global resource share price movement

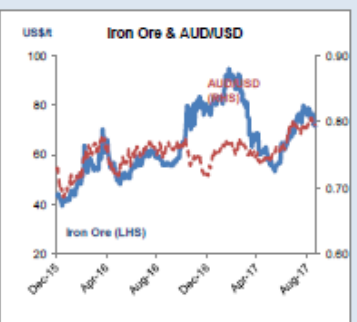
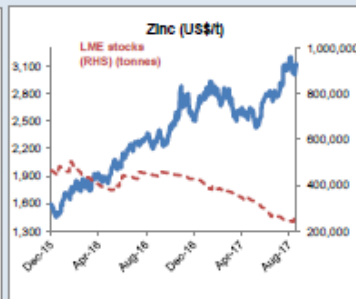
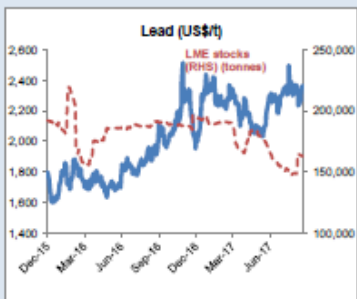
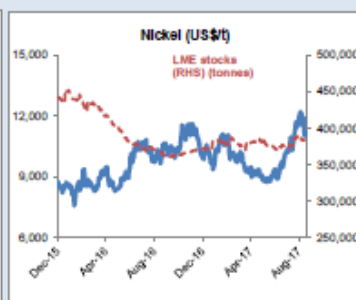
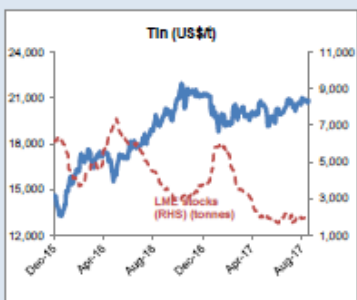
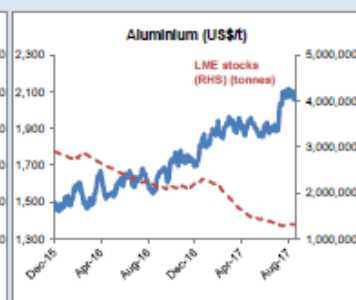
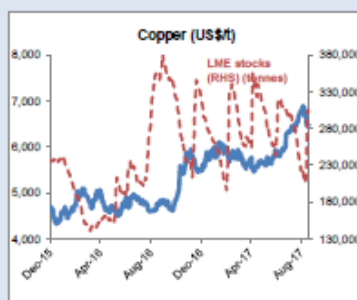
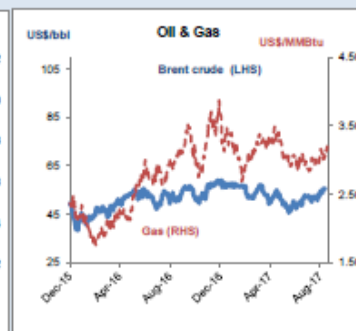
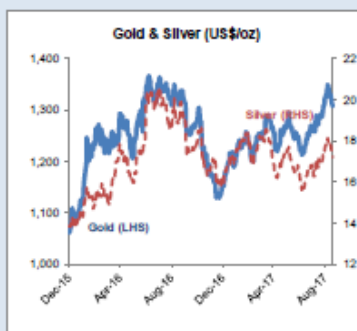
Company Name	Sector	1D %ch	1M %ch	1Y %ch	YTD %ch
Barrick Gold	Gold	-2.2	1.7	-2.4	5.9
Newmont	Gold	-0.2	5.4	-1.3	10.9
Goldcorp	Gold	-2.1	0.8	-16.7	-4.6
Anglo Platinum	Platinum	-1.6	-0.4	-8.0	28.9
Anglo American	Diversified	0.5	1.3	59.2	11.8
BHP Billiton PLC	Diversified	0.1	3.5	30.7	4.9
Rio Tinto PLC	Diversified	1.4	2.1	53.5	10.8
Teck Resources	Diversified	2.5	-10.2	9.2	-2.0
Glenore	Diversified	0.6	1.7	90.5	27.1
Vale	Iron Ore	-1.7	7.4	125.9	35.0
Fortescue	Iron Ore	-2.7	-1.8	10.4	-8.3
South32	Diversified	2.6	8.1	37.5	16.0
China Shenhua	Coal	-0.5	1.4	54.0	51.7
Freeport McMoRan	Copper	1.8	-0.1	42.2	7.1
Antofagasta	Copper	2.4	1.1	94.0	41.3
Alcoa	Aluminium	0.6	18.9	112.4	59.9
Chinalco	Aluminium	-0.5	23.7	135.9	107.2
Rusal	Aluminium	1.6	8.6	108.6	76.8
Norilsk Nickel	Nickel	0.0	10.1	9.6	-2.0
Timah PT	Tin	1.1	8.0	18.1	-18.1
Boliden	Zinc	0.0	3.7	51.2	15.5
Cameco	Uranium	0.5	1.6	6.9	-11.8
Arcelor Mittal	Steel	1.2	2.3	54.1	7.9

Commodity currency exchange rates (note: red = weakness against US\$)

Cross-rate	Spot	1D %ch	1M %ch	1Y %ch	YTD %ch
AUD/USD	0.80	0.0	0.3	5.6	10.4
USD/ZAR	13.30	0.1	-0.9	5.4	3.3
USD/BRL	3.14	-0.9	0.3	4.3	3.7
USD/CAD	1.23	0.0	2.2	7.4	9.4
USD/RUB	58.10	0.0	1.8	11.3	5.9
USD/CNY	6.58	-0.3	1.4	1.4	5.6

LME warehouse inventories

Commodity	Tonnes	1D %ch	1M %ch	1Y %ch	YTD %ch
Copper	302,925	-0.5	11.6	-13.2	-6.0
Aluminium	1,310,800	-0.2	1.8	-39.5	-40.6
Lead	162,900	-0.1	10.0	-13.3	-16.4
Zinc	262,100	-0.6	5.7	-41.0	-38.7
Tin	1,930	-1.3	-0.8	-49.7	-48.5
Nickel	383,472	-0.2	-0.4	4.5	3.3



Precious Metals Commentary

Gold prices were ending the U.S. day session solidly down and hit a three-week low Monday. Keener investor and trader risk appetites have hit the gold market hard the past week. Since the early-September high of \$1,362.40, gold prices have lost around \$50.00 an ounce. Global stock markets were mostly firmer Monday. U.S. stock indexes are at or near record highs. The higher stock markets worldwide attest to the keener risk-on attitudes among traders and investors at present.

The markets' highlight of the week is the Federal Reserve's Open Market Committee (FOMC) meeting that begins Tuesday morning and ends Wednesday afternoon with a statement. Fed Chair Janet Yellen also has a press conference just after the FOMC meeting. No interest rate changes are expected from the FOMC at this meeting. However, it is expected the Fed will announce it is drawing down its balance sheet of securities.

President Trump speaks in front of the United Nations in New York Tuesday. It's expected that Trump will talk about North Korea's missile program. Trump also spoke before the U.N. Monday, but made no mention of North Korea.

Gold bulls' next upside near-term price breakout objective is to produce a close above solid technical resistance at \$1,340/oz. Bears' next near-term downside price breakout objective is pushing prices below solid technical support at \$1,300/oz. Source: Kitco

2 Year Gold London Fix PM Daily with 30 and 200-day moving averages



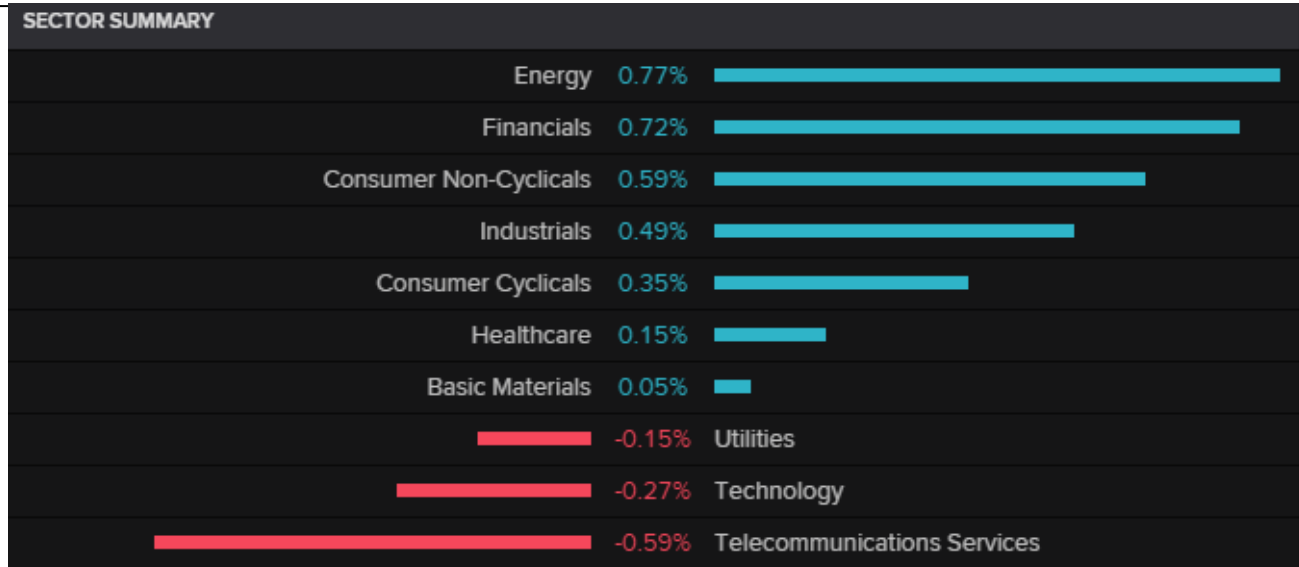
AUSTRALIA MARKET COMMENTARY

Australian shares snapped three consecutive sessions of losses to finish higher on Monday, tracking Wall Street's all-time highs recorded on Friday. The S&P/ASX 200 rose 0.4% (25.6 points) to close at 5,720.6. Financial stocks outperformed other sectors on the index, with the "Big Four" banks rising between 0.5 and 1.1%. For markets, the main event will be the Fed's meeting on Tuesday and Wednesday, where it is likely to take another step toward policy normalisation amid what is rapidly becoming a global trend. Material stocks managed to post marginal gains for the day, with heavyweights BHP Billiton and Rio Tinto 0.7% and 0.2%, respectively. Energy stocks gained on firm oil prices, with Oil Search Ltd, Santos Ltd and WorleyParsons gaining in the range of 1.5% to about 4%.



S&P/ASX 200 Daily chart (Source: Thomson Reuters)

The best performers of the session were APN Outdoor Group Ltd (ASX: APO), which rose 4%, Worleyparsons Ltd (ASX: WOR) 4.0% and Syrah Resources Ltd (ASX: SYR) 3.5%. The worst performers of the session were Fisher & Paykel Healthcare Ltd (ASX: FPH), which fell 4.3%, Resolute Mining Ltd (ASX: RSG) 3.4% and Mayne Pharma Group Ltd (ASX: MYX) was down 3.3%.



Sector summary (Source: Thomson Reuters)

With gains in energy and resources sectors, WorleyParsons Ltd (ASX: WOR) soared 3.9% on September 18, 2017. For FY17, WOR reported a 19.5% year on year (yoy) decline in underlying net profit at \$123.2 million while posting 42.6% increase in statutory net profit after tax (NPAT) at \$33.5 million. Further, underlying revenue declined 23.6% to \$4,377.0 million in line with the company's customers' spending contraction. While the contraction has impacted revenues, WOR has been able to improve both gross margin and EBIT margin by delivering significantly reduced overhead costs, improved customer delivery and an optimized portfolio of operations. WOR has exceeded the target for overhead reduction by the end of June 2017 as the program has delivered \$500 million in annualized savings against an initial target of \$300 million.



WOR Daily chart (Source: Thomson Reuters)

US MARKET COMMENTARY

The holiday cheers are fading fast for **Toys R Us**. Bonds issued by the venerable US toy retailer tumbled to a record low on Monday on reports that it could file for bankruptcy protection as soon as this week. The company's \$400m debt that matures in October 2018 declined to 22 cents on the dollar on Monday afternoon, roughly halving in value from the close of trading on Friday, according to trades reported to Finra. The bonds traded hands at roughly 97 cents on the dollar at the start of September.

The **S&P 500 ended slightly higher on Monday** as financial stocks rose ahead of a Federal Reserve meeting, but the **Nasdaq pared gains sharply as technology stocks lost ground late in the session**. Five of the 11 major S&P sectors ended lower. Rising U.S. Treasury yields boosted financial stocks, as higher interest rates tend to lift bank profits, but rate-sensitive sectors such as utilities were the weakest. The Fed meeting, which starts Tuesday, is expected to yield details on how the central bank will unwind its \$4.2 trillion portfolio of Treasuries and mortgage-backed securities, nearly a decade after the global financial crisis. Big technology stocks such as Microsoft and Google parent Alphabet came under pressure late in the session after Amazon said it would move to charging businesses in one-second increments for use of its servers.



Microsoft Daily Chart (Source - Thomson Reuters)

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