



## Daily Resources Overview

### Commodity price movement

Commodity	Price	1D %ch	1M %ch	1Y %ch	YTD %ch
<b>Precious Metals (COMEX)</b>					
Gold (US\$/oz)	1294.20	1.4	0.0	4.7	12.1
Silver (US\$/oz)	17.31	1.8	2.0	3.8	8.7
Platinum (US\$/oz)	953.00	2.0	2.0	2.1	5.5
<b>Industrial Metals (LME)</b>					
Copper (US\$/t)	6743.50	0.6	-3.6	22.9	22.1
Aluminium (US\$/t)	2086.50	0.1	-1.4	23.1	22.4
Lead (US\$/t)	2424.00	1.3	-2.1	12.5	21.2
Zinc (US\$/t)	3215.50	1.0	3.4	27.8	25.7
Tin (US\$/t)	19475.00	0.6	-4.3	-3.6	-7.8
Nickel (US\$/t)	11518.50	2.0	-1.6	2.8	15.6
<b>Bulks</b>					
Iron Ore (US\$/t)	62.61	1.7	-0.2	-14.9	-20.6
Coking Coal (US\$/t)	188.90	0.5	4.1	-38.8	-16.4
Thermal Coal (US\$/t)	98.66	-0.7	0.8	-10.0	4.5
<b>Energy</b>					
Brent Crude (US\$/bbl)	63	2.2	9.0	20.7	6.9
Natural Gas (US\$/MMBtu)	3.19	1.5	3.4	13.1	-13.3
Uranium (US\$/lb)	25.25	2.6	23.2	36.1	23.5
<b>Softs</b>					
Wheat (US\$/bu)	444	1.3	-2.3	-10.6	-7.2
Sugar (US\$/lb)	15	0.7	9.6	-17.5	-17.3
Corn (US\$/bu)	355	1.7	-2.4	-8.5	-8.7
Soy (US\$/bu)	991	1.9	-0.5	-0.4	-0.3
Cotton (US\$/lb)	70	0.8	3.0	-4.9	-1.2
<b>Other</b>					
CRB Comdty Index	428	0.0	-0.7	3.7	1.3

### Global resource share price movement

Company Name	Sector	1D %ch	1M %ch	1Y %ch	YTD %ch
Barriack Gold	Gold	1.1	-12.6	-8.0	-12.0
Newmont	Gold	0.3	-4.3	10.8	6.3
Goldcorp	Gold	1.3	1.1	0.7	-1.4
Anglo Platinum	Platinum	0.7	5.2	28.5	45.6
Anglo American	Diversified	-0.3	0.2	31.6	23.6
BHP Billiton PLC	Diversified	0.6	1.6	12.5	8.2
Rio Tinto PLC	Diversified	-0.1	-1.5	20.9	12.3
Teck Resources	Diversified	3.4	0.3	-9.2	4.1
Glencore	Diversified	0.0	-6.4	37.2	29.6
Vale	Iron Ore	1.0	-0.2	37.9	31.2
Fortescue	Iron Ore	1.5	-4.5	-18.7	-20.0
South32	Diversified	0.0	3.4	27.9	20.0
China Shenhua	Coal	-1.5	1.1	42.0	53.7
Freeport McMoRan	Copper	1.8	-6.4	0.9	5.1
Antofagasta	Copper	0.4	-3.7	42.8	40.9
Alcoa	Aluminium	2.6	-6.7	42.7	54.6
Chinalco	Aluminium	-1.3	-22.1	62.6	67.2
Rusal	Aluminium	0.2	4.4	82.5	68.0
Norilsk Nickel	Nickel	-0.9	-1.1	12.9	10.3
Timah PT	Tin	-0.6	8.0	-16.2	-18.1
Boliden	Zinc	-0.5	-6.2	21.5	17.1
Cameco	Uranium	3.2	6.2	-2.3	-14.6
Arcelor Mittal	Steel	-0.4	-4.1	20.0	12.4

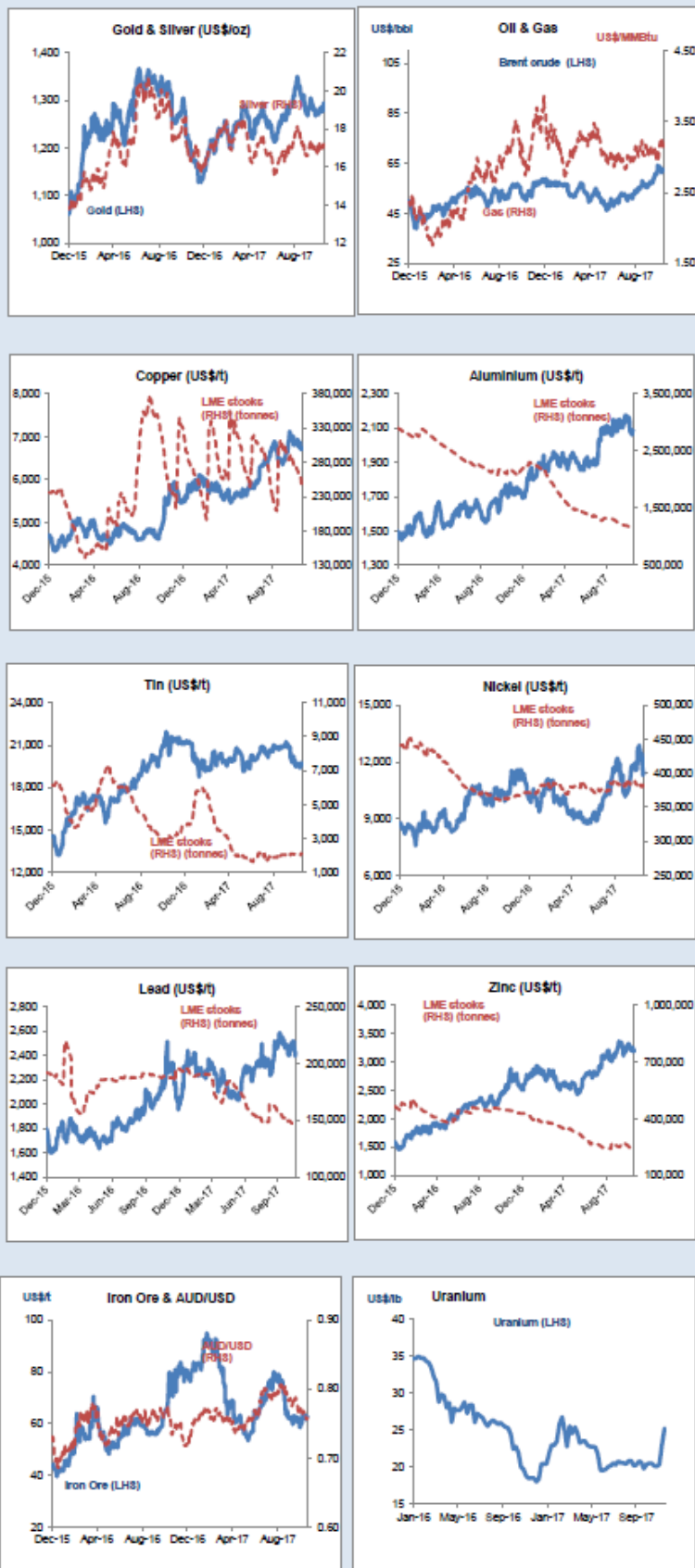
### Commodity currency exchange rates (note: red = weakness against US\$)

Cross-rate	Spot	1D %ch	1M %ch	1Y %ch	YTD %ch
AUD/USD	0.76	-0.2	-3.9	2.7	5.0
USD/ZAR	14.01	1.1	-3.7	1.7	-1.9
USD/BRL	3.26	0.6	-3.0	5.0	-0.1
USD/CAD	1.28	-0.1	-2.2	5.1	5.3
USD/RUB	59.13	1.0	-3.1	8.2	4.1
USD/CNY	6.63	0.1	0.0	3.8	4.8

### LME warehouse inventories

Commodity	Tonnes	1D %ch	1M %ch	1Y %ch	YTD %ch
Copper	247,700	-1.5	-15.0	-3.9	-23.1
Aluminium	1,157,800	-0.3	-4.5	-46.5	-47.5
Lead	145,875	-0.1	-4.1	-22.4	-25.2
Zinc	226,775	-1.1	-16.6	-49.1	-47.0
Tin	2,145	0.0	5.1	-32.8	-42.7
Nickel	381,258	-0.3	-1.1	4.2	2.7

### Monday 20 November 2017



## PRECIOUS METALS COMMENTARY

The gold market appears to have finally woken up, settling on Friday at a four-week high. December gold futures settled the week at \$1,296.50 an ounce.

The late-week move comes as gold has traded in a fairly narrow trading channel. According to an article by Sarah Benali, the gold market hasn't been this compressed since 2005. While there is some momentum growing, with gold prices closing above key resistance levels, many technical analysts say the true test of this upswing will come at the October high at \$1,306 an ounce.

**Gold's** latest move comes as Congress has made some progress on much-anticipated tax reform and tax cuts. Thursday, the House of Representatives passed their version of the bill; unfortunately, the sweeping legislation is not seeing much love as there is still a lot of uncertainty and turmoil in Washington. To use an old farming cliché: Congress still has a *long row to hoe* as the Senate tries to push its legislation through. The Republican-controlled Senate has a very slim majority and can only afford two "No" votes. This is the same reason why sweeping healthcare reform has stalled.

This uncertainty is pushing both the U.S. dollar and equity markets down, two big tailwinds for the precious metal.

Analysts also see another reason for higher gold prices, which they say hasn't attracted a lot of attention in the gold market: a flattening yield curve.

A flattening yield curve is when the spread shrinks between short-term bonds like 2-year notes and long-term bonds like 10-year notes. A flattening yield curve makes gold more attractive as its opportunity costs go down. Of course, not every precious metal is seeing a lot of love these days. Thursday evening was a huge night for Tesla as the company unveiled its new semi-truck, referred to as "The Beast."

According to analysts at ABN Amro reported by Anna Golubova, electric cars could lead to the demise of the platinum and palladium market as electric vehicles don't need catalytic converters. Autocatalyst demand accounts for 40% of platinum demand and a whopping 75% demand for palladium. The analysts warn that as fleets become electric, platinum prices could be around \$500 an ounce by 2040 and palladium could be trading around \$400 an ounce by then. Source: Kitco

## AUSTRALIA MARKET COMMENTARY

**Australian shares may tread water to start a relatively quiet data week as Wall Street slipped from record highs.** ASX futures slipped 4 points or 0.1 per cent over the weekend. The S&P/ASX 200 index slumped back below its recently achieved milestone of 6000 points on Tuesday and could only manage to recoup some of those losses to end the five sessions down 72 points, or 1.2 per cent, at 5957. On Friday it lifted 14 points, or by 0.2 per cent. The wider All Ordinaries index lost 66 points, or 1.1 per cent, over the week to settle at 6038.

**Some sharp falls in global metals and oil markets weighed heavily on resources stocks, with energy and mining the worst performing corners of the ASX over the week.** Among the big names, BHP lost 3.6 per cent, Rio dropped 3 per cent and South32 1.8 per cent. There was plenty of action in the oil and gas space, after Shell sold its remaining \$3.5 billion stake in Woodside Petroleum, sparking losses across the bourse.



Woodside Daily Chart (Source: Thomson Reuters)

## US MARKET COMMENTARY

**Tesla has received a tiny vote of confidence by the world's largest retailer. Walmart on Friday confirmed that it has pre-ordered 15 of Tesla's new heavy duty electric trucks.** Arkansas-based Walmart said it has ordered 5 of the trucks for the US and another 10 units for Walmart Canada. The news sent Tesla shares nearly 2 per cent higher to \$318.27. Rating agency S&P Global warned Viacom on Friday that it had placed the company's investment grade rating on review for a possible downgrade, as debts at the owner of the MTV and Nickelodeon television networks remain elevated.

**Apple has delayed its Siri-powered HomePod until 2018,** meaning it will miss out on what is expected to be high demand for "smart speakers" in the holiday shopping season. Delaying a previously announced product is highly unusual for Apple, which unveiled the product back in June at its annual developers conference. No specific reason was given for the delay, which hands an advantage to Amazon's Echo range and Google Home in one of the fastest-growing gadget categories.

**Wall Street stocks were in the red again on Friday, setting the S&P 500 up for its second straight week of declines as investors consider tax reform prospects.** The S&P 500 was down 0.2 per cent to 2,581.62, leaving the benchmark index poised for weekly back-to-back declines for the first time since August. Friday's fall was led by a 0.5 per cent drop in financials and partially offset by a 0.5 per cent rise in telecoms.



TESLA Daily Chart (Source: Thomson Reuters)

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