

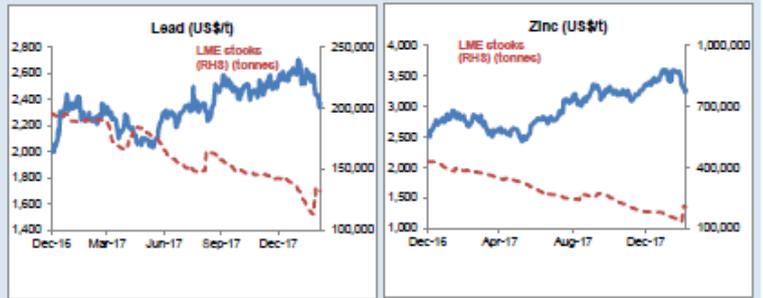
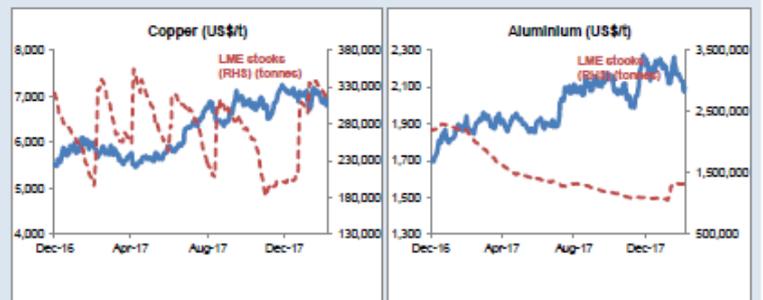
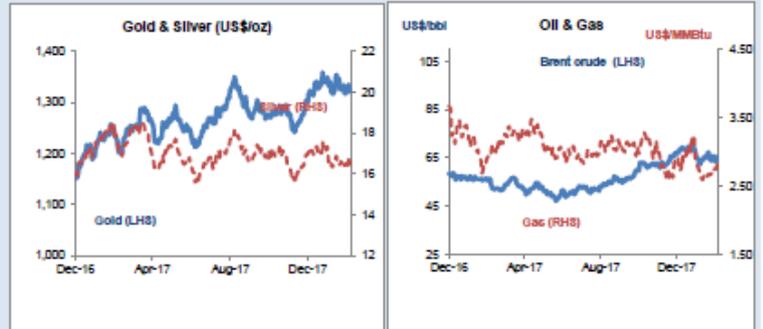


# Daily Resources Overview

## Commodity price movement

Commodity	Price	1D %ch	1M %ch	1Y %ch	YTD %ch
<b>Precious Metals (COMEX)</b>					
Gold (US\$/oz)	1323.30	0.2	0.5	9.5	2.3
Silver (US\$/oz)	16.59	0.7	1.4	-2.2	-2.1
Platinum (US\$/oz)	966.00	1.2	0.1	3.2	3.8
<b>Industrial Metals (LME)</b>					
Copper (US\$/t)	6937.50	2.0	3.4	22.3	-3.7
Aluminium (US\$/t)	2099.75	0.7	-1.0	13.2	-6.9
Lead (US\$/t)	2374.75	1.7	-6.4	5.6	-4.4
Zinc (US\$/t)	3276.25	1.5	-4.0	22.7	-1.8
Tin (US\$/t)	21400.00	-0.7	1.8	11.0	6.9
Nickel (US\$/t)	13814.00	4.5	6.8	36.9	8.7
<b>Bulks</b>					
Iron Ore (US\$/t)	69.18	0.0	-7.5	-14.9	-4.5
Coking Coal (US\$/t)	225.60	-2.9	-1.2	40.1	-13.3
Thermal Coal (US\$/t)	104.97	-1.1	-2.3	29.4	1.1
<b>Energy</b>					
Brent Crude (US\$/bbl)	65	3.0	4.8	23.4	-0.9
Natural Gas (US\$/MMBtu)	2.75	-1.1	4.9	-10.1	-4.0
Uranium (US\$/lb)	21.95	-1.1	1.2	-13.2	-9.5
<b>Softs</b>					
Wheat (US\$/bu)	489	-2.0	6.1	-4.2	11.1
Sugar (US\$/lb)	13	-0.4	-5.2	-29.6	-14.5
Corn (US\$/bu)	391	-0.8	5.6	-2.6	8.8
Soy (US\$/bu)	1,039		4.6	2.4	6.8
Cotton (US\$/lb)	85	-0.7	10.2	10.3	7.5
<b>Other</b>					
CRB Comdty Index	445	-0.4	1.6	2.8	3.0

Monday 12 March 2018



## Global resource share price movement

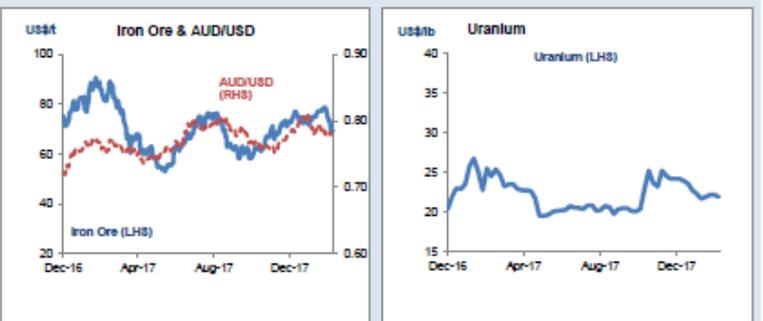
Company Name	Sector	1D %ch	1M %ch	1Y %ch	YTD %ch
Barrick Gold	Gold	0.4	-9.5	-35.1	-18.3
Newmont	Gold	0.1	2.6	14.5	0.5
Goldcorp	Gold	-0.1	5.4	-12.2	1.9
Anglo Platinum	Platinum	-1.0	12.6	26.6	0.4
Anglo American	Diversified	2.6	9.2	53.6	13.1
BHP Billiton PLC	Diversified	2.3	-4.2	19.6	-4.2
Rio Tinto PLC	Diversified	0.9	-1.6	17.2	-5.5
Teck Resources	Diversified	-2.1	-3.0	27.9	2.9
Glencore	Diversified	1.8	2.4	21.1	-5.2
Vale	Iron Ore	1.5	0.2	42.0	4.6
Fortescue	Iron Ore	-1.5	-7.8	-22.3	-2.7
South32	Diversified	-1.5	-13.9	21.7	-7.2
China Shenhua	Coal	2.1	1.4	64.5	6.7
Freeport MoMoRan	Copper	3.1	4.9	49.0	-2.8
Antofagasta	Copper	2.8	2.1	19.6	-11.0
Aloca	Aluminium	0.8	4.2	38.6	-11.2
Chinalco	Aluminium	0.2	0.7	16.7	-17.5
Rusal	Aluminium	-2.0	-13.0	38.3	-12.2
Norilsk Nickel	Nickel	-0.1	1.3	28.7	3.3
Timah PT	Tin	-1.3	14.1	16.4	46.5
Boliden	Zinc	0.9	6.6	10.9	2.8
Cameco	Uranium	0.0	9.5	-21.1	1.2
Arcelor Mittal	Steel	-0.6	0.4	11.5	-2.7

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

Cross-rate	Spot	1D %ch	1M %ch	1Y %ch	YTD %ch
AUD/USD	0.79	0.8	-0.1	3.7	0.6
USD/ZAR	11.81	0.8	1.5	12.9	4.8
USD/BRL	3.26	0.3	1.4	-1.9	1.8
USD/CAD	1.28	0.6	-1.9	4.9	-1.9
USD/RUB	56.75	0.6	1.8	3.6	1.7
USD/CNY	6.33	0.1	-0.5	9.1	2.7

## LME warehouse inventories

Commodity	Tonnes	1D %ch	1M %ch	1Y %ch	YTD %ch
Copper	311,125	-1.2	-7.5	-4.9	54.2
Aluminium	1,311,725	-0.3	19.6	-37.1	19.0
Lead	131,525	-1.6	5.0	-30.9	-7.5
Zinc	202,575	-1.3	26.9	-47.0	11.3
Tin	1,555	0.0	-16.2	-67.9	-30.0
Nickel	328,998	-0.6	-3.9	-14.7	-10.5



## PRECIOUS METALS COMMENTARY

The median estimate for the February US Labour Department's Jobs report came in at 205,000.

The actual numbers reported show that the U.S. economy's growth was so robust last month that it added 313,000 new jobs. This marks the most massive hiring spree since the middle of 2016. It demonstrates that the economy has been robust and, more importantly, growing.

The net result of these numbers was that U.S. equities and bond yields moved higher and at the same time, safe-haven assets such as gold moved lower.

First, today's jobs report certainly put downside pressure on gold. Immediately following the release of today's report, gold traded moderately lower to \$1,313 per ounce. However, prolonged wage growth of only 2.6% dampened the selloff as traders bid gold's pricing back above its open, closing at \$1,324.20.

### **Increased Probability for a Rate Hike This Month**

In his first testimony to both the House and Senate, newly appointed Fed Chairman Jerome Powell indicated that his assessment of the economy had changed from December. New economic data indicated a much more robust economy than the data the Federal Reserve members saw in December. This increases the probability for the initiation of the first rate hike of 2018.

Fed officials are now expected to raise rates when they meet March 20-21. Powell told lawmakers he would not prejudge the outcome, though the committee will take into account data that has shown a stronger U.S. economy and signs of inflation moving higher.

### **Trump-Kim Summit**

Earlier today, it was announced that President Trump has agreed to meet with the leader of North Korea, Kim Jong Un. This would mark the first time a sitting U.S. president has met with a North Korean leader. This will also be the first occasion that a North Korean leader has been willing to meet on neutral territory. The meeting is scheduled to take place in May and has undoubtedly allowed geopolitical tensions to subside. The combination of these three events has curtailed any upside movement in gold pricing.

**Strong employment numbers, an almost certain interest rate hike, and the warming of tensions between the United States and North Korea will undoubtedly cause market sentiment to continue to favour the risk-on asset class over safe-haven assets.**

Source: Kitco

## US Market

The S&P 500 was up by 1.7 per cent and reached to 2,786.57 which was one of the best one-day gain since the start of 2018. The yield on the benchmark 10-year US Treasury was up by 2.8 basis points and reached from 2.8938 per cent, to 2.9121 per cent, that is the highest level.

Broadcom shares jumped in after-hours trading on Friday after a report said that Intel was weighing strategic options in response to Broadcom's drama-filled pursuit of rival chipmaker Qualcomm, including a possible bid for Broadcom. The Canadian dollar rallied against the US dollar for a second straight day on Friday, buoyed by the country's latest jobs report and receding fears of a trade war with the US. Technology sector performed well as it rose by 1.8 per cent on S&P 500 index, Netflix, Amazon, Alphabet and Apple were high by 73 per cent, by 35 per cent, by 10.9 per cent and by 6.4 per cent respectively.

The info-tech sector of the S&P 500 is the top performing sector year-to-date and was up by 11.2 per cent. For the fourth quarter, companies in the info-tech sector reported earnings growth of 22.6 per cent as compared to last year that is a revenue gain of 13.4 per cent. Shares of two major US toy makers fell, Mattel (whose brands include Barbie, American Girl and Hot Wheels) dropped by 5.07 per cent and closed at \$15.16, while Hasbro (the seller of toys from popular franchises including Star Wars and Frozen) fell by 3.6 per cent and traded at \$90 as majority of customers buy online instead at one of its stores.



Broadcom Daily Chart (Source: Thomson Reuters)

## Australian Market

The S&P/ASX 200 was up by 20 points or by 0.3 per cent and reached to 5963.2 points as Australian steel and aluminium exports will be exempted from the new tariff system announced by Trump.

The ASX-listed Glennon Small Companies fund is gradually reducing its weighting to The A2 Milk Company (ranks fifth in the top five holdings of GCI). GCI returned to +2.27 per cent for the month against the S&P/ASX Small Ordinaries Accumulation Index which reached to +0.03 per cent.

Magnis Resources entered into an agreement with the government of Tanzania about certain amendments in respect of special economic license that has been granted to Magnis Technologies Tanzania. CBA, ANZ, and NAB was up by 2.45 per cent, 0.14 per cent and by 1.24 per cent and closed at \$76.870, at \$28.430 and at \$30.290 respectively. Westpac was down by 0.79 per cent and closed at \$30.09.

Miners were weaker like BHP and South 32 were down by 2.71 and by 1.61 per cent and traded at \$28.32 and at \$3.2 respectively as both the firms started trading at ex-dividend.

Myer shares dropped by 5.43 per cent as it was announced that it will drop out of S&P/ASX200 index /delisted from S&P/ASX200 on March 19 which led to a decline in its market capitalisation as compared to prior year and now it is treated as a small cap stock on the index.



Magnis Resources Daily Chart (Source: Thomson Reuters)

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