

Daily Resources Overview

Wednesday 04 April 2018

Commodity price movement

Commodity	Price	1D %ch	1M %ch	1Y %ch	YTD %ch
Precious Metals (COMEX)					
Gold (US\$/oz)	1332.68	-0.8	0.5	5.8	2.5
Silver (US\$/oz)	16.42	-1.7	-0.6	-10.3	-3.1
Platinum (US\$/oz)	926.36	-0.8	-4.1	-3.6	-0.4
Industrial Metals (LME)					
Copper (US\$/t)	6762.25	1.2	-1.5	18.0	-6.2
Aluminium (US\$/t)	1960.25	-1.3	-8.3	1.0	-13.1
Lead (US\$/t)	2393.50	0.0	-2.0	5.2	-3.7
Zinc (US\$/t)	3290.50	0.2	-2.0	22.7	-1.4
Tin (US\$/t)	21200.00	0.5	-1.3	5.7	5.9
Nickel (US\$/t)	13418.50	1.2	0.1	37.1	5.6
Bulks					
Iron Ore (US\$/t)	64.14	0.3	-15.5	-16.7	-11.4
Coking Coal (US\$/t)	198.10	1.6	-15.7	12.8	-23.8
Thermal Coal (US\$/t)	90.68	-1.9	-14.5	11.8	-12.7
Energy					
Brent Crude (US\$/bbl)	68	0.8	6.3	26.6	3.6
Natural Gas (US\$/MMBtu)	2.75	0.7	0.0	-14.7	-4.2
Uranium (US\$/lb)	21.20	-0.5	-4.5	-9.0	-12.6
Softs					
Wheat (US\$/bu)	458	2.5	-8.5	-8.2	3.9
Sugar (US\$/lb)	12	-0.4	-7.1	-28.4	-17.0
Corn (US\$/bu)	389	0.3	0.8	-4.4	8.2
Soy (US\$/bu)	1,038		-3.1	7.7	6.7
Cotton (US\$/lb)	82	1.3	-0.8	8.7	4.3
Other					
CRB Comdty Index	436	-0.1	-1.8	1.2	0.9

Global resource share price movement

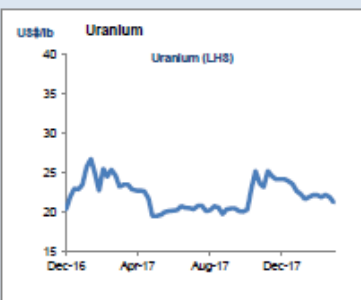
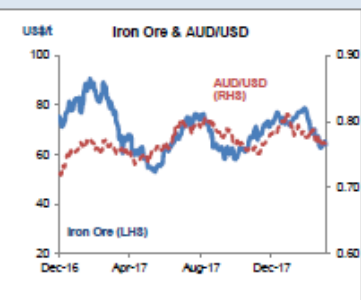
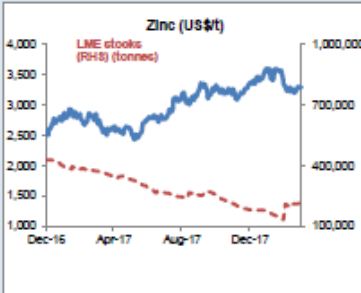
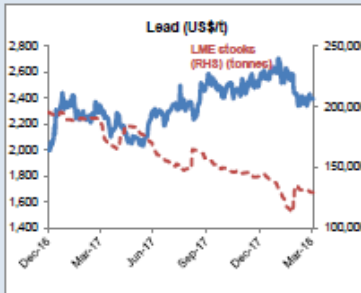
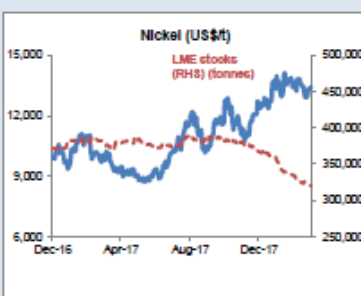
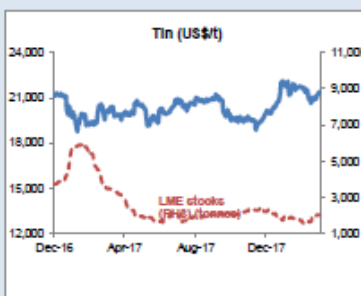
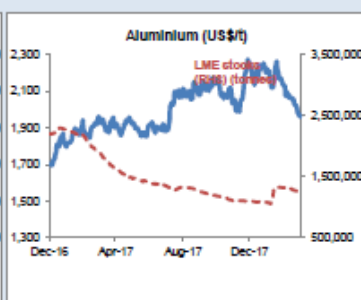
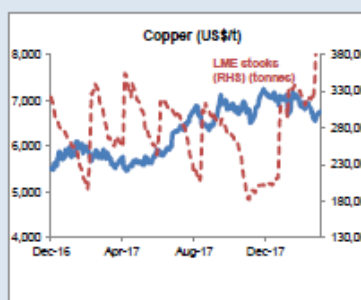
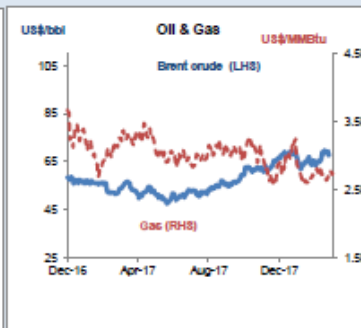
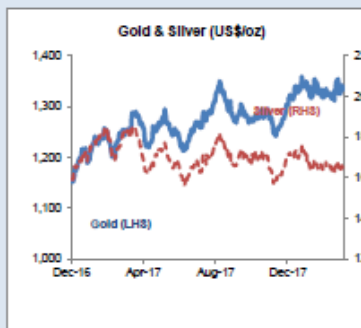
Company Name	Sector	1D %ch	1M %ch	1Y %ch	YTD %ch
Barrick Gold	Gold	-1.0	8.3	-35.3	-13.6
Newmont	Gold	-1.1	2.4	14.6	3.5
Goldcorp	Gold	-0.4	12.1	-5.8	9.3
Anglo Platinum	Platinum	-2.0	-11.6	2.9	-10.2
Anglo American	Diversified	-1.3	-2.8	35.6	5.8
BHP Billiton PLC	Diversified	0.3	-3.1	20.0	-2.9
Rio Tinto PLC	Diversified	0.5	-0.2	13.9	-7.9
Teck Resources	Diversified	0.6	-9.3	9.0	0.4
Glenore	Diversified	0.7	-2.3	15.5	-8.7
Vale	Iron Ore	-0.3	-2.0	45.3	6.5
Fortescue	Iron Ore	-1.6	-13.2	-30.2	-12.7
South32	Diversified	1.9	0.6	16.0	-4.9
China Shenhua	Coal	-0.4	-10.5	24.9	-4.1
Freeport McMoRan	Copper	1.4	-5.1	31.3	-8.3
Antofagasta	Copper	0.4	9.8	12.0	-8.0
Alcoa	Aluminium	2.3	-0.4	32.5	-15.8
Chinalco	Aluminium	-0.9	-6.1	9.9	-22.9
Rusal	Aluminium	-2.3	-12.5	15.7	-15.3
Norilsk Nickel	Nickel	1.4	-3.9	18.4	0.3
Timah PT	Tin	3.1	-14.2	5.3	29.0
Boliden	Zinc	-0.2	3.4	9.4	4.1
Cameco	Uranium	4.3	7.7	-15.7	7.1
Arcelor Mittal	Steel	-0.1	-3.8	10.1	-5.3

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

Cross-rate	Spot	1D %ch	1M %ch	1Y %ch	YTD %ch
AUD/USD	0.77	0.0	-1.0	1.6	-1.6
USD/ZAR	11.83	-0.1	0.0	15.2	4.7
USD/BRL	3.34	-0.8	-2.9	-6.8	-0.9
USD/CAD	1.28	0.0	1.2	4.7	-1.8
USD/RUB	57.62	0.0	-2.1	-2.8	0.1
USD/CNY	6.29	-0.2	0.9	9.5	3.4

LME warehouse inventories

Commodity	Tonnes	1D %ch	1M %ch	1Y %ch	YTD %ch
Copper	383,025	0.0	17.9	34.9	89.9
Aluminium	1,281,475	-0.4	-3.1	-31.7	16.3
Lead	129,100	-0.1	-4.1	-29.9	-9.2
Zinc	211,650	-0.6	60.6	-42.9	16.3
Tin	2,035	-1.2	15.0	-42.0	-8.3
Nickel	320,268	-0.1	-4.1	-14.9	-12.9



PRECIOUS METALS COMMENTARY

The gold market saw some technical selling pressures ending Tuesday's session down on the day, pushed lower by improved investor risk sentiment and a stronger U.S. dollar. June gold futures settled the session at \$1,337.30 an ounce, down 0.71% on the day.

At the same time, May silver futures last traded at \$16.392 an ounce, down 1.7% on the day. According to analysts, the precious metals market felt downward pressure on Tuesday after bargain hunters jumped back into equity markets following Monday's nearly 3% across-the-board drop in North American indices. Modest gains in the U.S. dollar index was also weighing on the yellow metal. The U.S. dollar last traded at 90 points, up 0.14% on the day against a basket of global currencies.

The gold market is tread water, analysts noted, caught in a near-term trading channel ahead of Friday's nonfarm payrolls report. DailyFX.com warned that it sees few profitable opportunities in the gold market, even if prices have room to move slightly higher.

"At the moment there is little edge given that price is in the middle of the range from 1302 up to 1366. It is best to operate around the perimeters, that is to look for fading opportunities at support and resistance," DailyFX.com's analysts said.

While gold prices are below initial support levels, Bill Baruch, president of Blue Line Futures said that despite Tuesday's selling pressure, he is still encouraged by the market's resiliency. "If the tape can continue to be constructive there is, without doubt, enough fundamental firepower to create a breakout this week," he said.

Analysts at Scotiabank pointed out that they remain bullish on gold as long as prices hold support above \$1,331.60 an ounce.

However, not all see the potential for the yellow metal. Analysts at BNP Paribas said that by their standards, gold is slightly overpriced with a positioning score of 6.1 out of 10. The firm sees a lot more potential for silver, which according to its calculations has a positioning score of 1.1 out of 10. Source: Kitco

US Market

Wall Street recouped a big chunk of the previous session's steep losses although price action was volatile as persistent concern over trade tariffs and problems within the technology sector kept participants on edge. On Monday, the main US equity indices ended more than 10 per cent down from the record highs reached earlier this year — the usual definition of a correction — with the S&P 500 also closing below its 200-day moving average. The unsettled mood spread to Asian and European stock markets on Tuesday, although there were few signs of a deeper flight to safety, with the yen and Swiss franc losing ground to the dollar, and gold and Treasury prices falling.

Technology stocks, which have endured some rough trading days in recent weeks, remained out of favour and the sector was the worst performer on the S&P 500, down 0.4 per cent. The next worst sectors were telecommunications and industrials, up 0.1 per cent. At the top of the ladder were consumer staples and materials, both up 0.6 per cent, and energy, up 0.5 per cent and matching gains in the price of oil. In New York, the S&P 500 ended 1.3 per cent higher at 2,614, after earlier falling as low as 2,575.49, following a 2.2 per cent drop in the previous session. The Dow Jones Industrial Average rose 1.6 per cent on Tuesday while the tech-heavy Nasdaq Composite gained 1 per cent, with Amazon up 1.5 per cent. The mood was more negative in Europe, with the pan-regional Stoxx 600 falling 0.5 per cent as the Xetra Dax in Frankfurt shed 0.8 per cent and London's FTSE 100 fell 0.4 per cent.

Spotify was able to buck the bearish mood for technology stocks on Wall Street by making its unconventional debut on the public market at \$165.90 a share, a 26 per cent jump from its starting point that values the music streaming company at about \$29.5bn.



S&P 500 Daily Chart (Source: Thomson Reuters)

Australian Market

The S&P/ASX 200 index was down by 7.5 points or by 0.1 per cent and reached at 5752 while All Ordinaries were down by 10 points or by 0.2 per cent and reached at 5859.

BHP and Rio climbed up by 1.8 per cent and by 2.1 per cent and closed at \$28.71 and at \$74.19 respectively. Newcrest Mining and Santos were up by 2.3 per cent and by 16 per cent and traded at \$20.01 and at \$5.89 respectively.

ANZ, CBA and NAB were down by 1.154 per cent, by 0.069 per cent and by 0.211 per cent and closed at \$26.550, at \$72.260 and at \$28.430 respectively. Toll road operator Transurban and Sydney Airport were down by 1.66 per cent and by 2.08 per cent and closed at \$11.230 and at \$6.570 respectively. Aristocrat Leisure was down by 2.7 per cent and closed at \$23.41.

Australian shares are set to open higher as risk-on sentiment returned to Wall Street. ASX futures were up 23 points at about 5.30am AEST. The Australian dollar edged higher.



Santos Daily Chart (Source: Thomson Reuters)

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