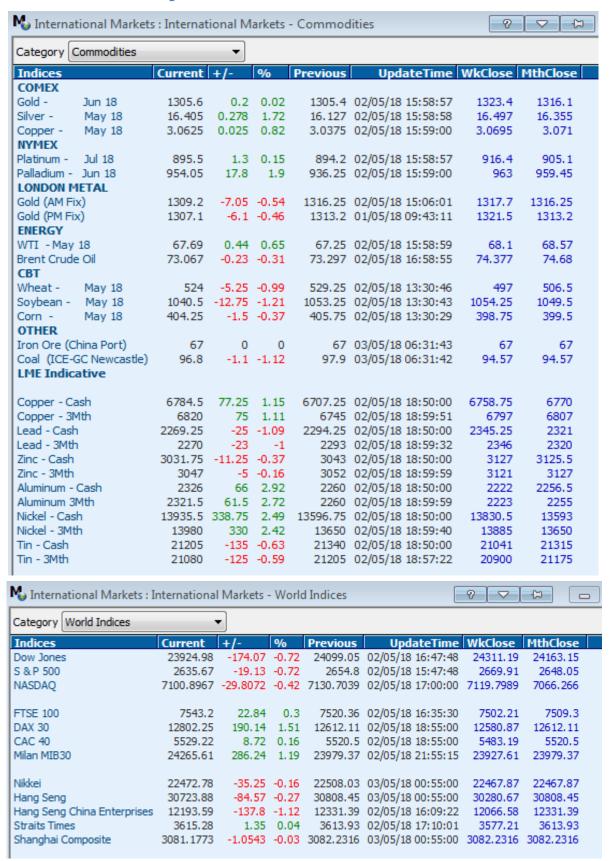


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# **Daily Resources Overview**





### PRECIOUS METALS COMMENTARY

Gold and silver prices moved moderately higher in the wake of a somewhat dovish FOMC statement from the Federal Reserve Wednesday afternoon. The Fed officials signalled they are not worried about inflationary price pressures becoming problematic. Such suggests the U.S. central bank won't become too aggressive on raising interest rates. June Comex gold futures were last up \$4.20 an ounce at \$1,311.40. July Comex silver was last up \$0.363 at \$16.485 an ounce.

The key U.S. markets event Wednesday is the Federal Reserve's Open Market Committee (FOMC) meeting that just ended with a statement. No change in U.S. interest rates was announced, as expected. On the inflation front, FOMC members said they expect U.S. inflation to be around 2.0% on an annual basis, which is right where the Fed wants it.

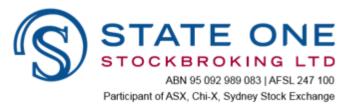
On Monday the U.S. Commerce Department issued a report saying overall U.S. price inflation, via personal consumption expenditures, has reached the Fed's goal of 2.0% annually. This latest statement implies two more interest rate increases this year, with the first one being in June.

Another important U.S. data point today was the ADP national employment report for April, which showed a rise of 204,000. The number was forecast to be up 190,000 jobs. The gold market moved little after the release of this report.

A U.S. high-level trade delegation travels to China Thursday to try to avert a trade war between the world's two largest economies.

On Friday is the U.S. employment report from the Labor Department—arguably the most important U.S. data point of the month.

The outside markets today saw the **U.S. dollar index** higher and hitting another 4.5-month high. Meantime, **Nymex crude oil** prices were slightly up and trading around \$67.50 a barrel. Source: Kitco



## **US Market**

**Wall Street failed to hold on to its post-Federal Reserve meeting gains,** with a sell-off in the final hour of trade, and weakness in telecoms and consumer staples, weighing on the S&P 500.

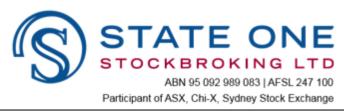
US stocks briefly edged higher after the US central bank's latest monetary policy decision before a sell-off gained momentum in the final 60 minutes of the session.

The S&P 500 ended the day 0.7 per cent lower at 2,634.88 in a broad-based decline. Telecoms and consumer staples were the biggest decliners both down more than 2 per cent each, with Molson Coors the company behind brands like Coors Light, Miller Lite tumbled after it posted disappointing results. Decelerating US sales and false product advertising claims knocked Estee Lauder shares lower.

**Subway** is looking to freshen up its top ranks. The made-to-order sandwich chain, whose motto is "Eat Fresh", said on Wednesday that chief executive Suzanne Greco will step down this summer. **Wynn** Resorts on Wednesday urged its shareholders to vote in favour of three directors it has nominated, including the director its largest shareholder, Elaine Wynn, has sought to oust in her push to overhaul the board. **Garmin** shares jogged higher on Wednesday after the Swiss maker of fitness and personal navigation devices posted upbeat quarterly results that left the company tracking its best one-day gain since November. Shares in the company rose more than 3 per cent to \$60.95 after it reported revenue growth of 11 per cent from a year ago to \$711m. Net income fell by nearly half to \$129.4m or 68 cents a share, compared with \$238.4m or \$1.26 a share a year ago. **Snap's** stock value is disappearing quicker than one of its user videos. The stock fell as much as 22.4 per cent to \$10.96, or more than 35 per cent below its initial public offering price of \$17.



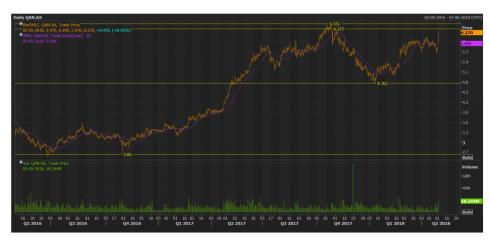
WYNN Resorts Daily Chart (Source: Thomson Reuters)



## **Australian Market**

The S&P/ASX 200 index was up by 35 points and reached at 6050.2 while All Ordinaries were up by 36.7 points and reached at 6136.7. CBA, NAB, Westpac and ANZ were up by 0.396 per cent, by 0.441 per cent, by 0.344 per cent and by 0.182 per cent and traded at \$73.46, at \$29.58, at \$29.15 and at \$27.52 respectively. AMP was up by 2.4 per cent and closed at \$4.15. IOOF Holdings was up by 2.2 per cent and traded at \$9.6.

Qantas was up by 8.1 per cent and closed at \$6.2 as its third quarter revenue lifted by 7.5 per cent. Rea Group and Aristocrat Leisure were up by 2.07 per cent and by 3.3 per cent and traded at \$81.52 and at \$27.79 respectively. Fairfax Media was up by 5.6 per cent and traded at \$0.75. ARB Corporation and Wisetech Global were up by 6.16 per cent and by 4.2 per cent and traded at \$22.06 and at \$11.02 respectively. Nine Entertainment was up by 6.1 per cent and traded at \$2.43. JB Hi-Fi Limited was down by 8.9 per cent and traded at \$23.28 as Quarterly sales growth in its JB Hi-Fi division was at 6.8 per cent, down from 10.8 per cent the same time last year, with a comparable sales growth of 4 per cent. Gateway Lifestyle Group and Invocare were down by 9 per cent and by 7.18 per cent and traded at \$1.79 and at \$12.14 respectively. Ramsay Healthcare was up by 1.08 per cent and traded at \$62.44 as the Group entered into a joint venture with Ascension to develop a new global supply chain. Sandfire Resources and Galaxy Resources were up by 1.49 per cent and by 3.4 per cent and traded at \$8.16 and at \$3.26. Boral was down by 1.1 per cent and traded at \$6.6. Graincorp was down by 1.07 per cent and closed at \$8.3. In the early morning the Australian Dollar was down and traded at 74.89 US cents while SPI futures were up by 7 points and traded at 6000 (at 7:55 am AEST). ASX futures pared their gains amid a late sell-off on Wall Street as investors reassessed the outlook for US rate hikes. ASX futures were 4 points higher at about 8.05am AEST, paring earlier gains. The Australian dollar was flat. Wall Street ended lower, turning negative soon after the Federal Reserve released its latest policy statement, with losses accelerating in the final hour of trade. The Dow ended 0.7 per cent lower.



Qantas Daily Chart (Source: Thomson Reuters)



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