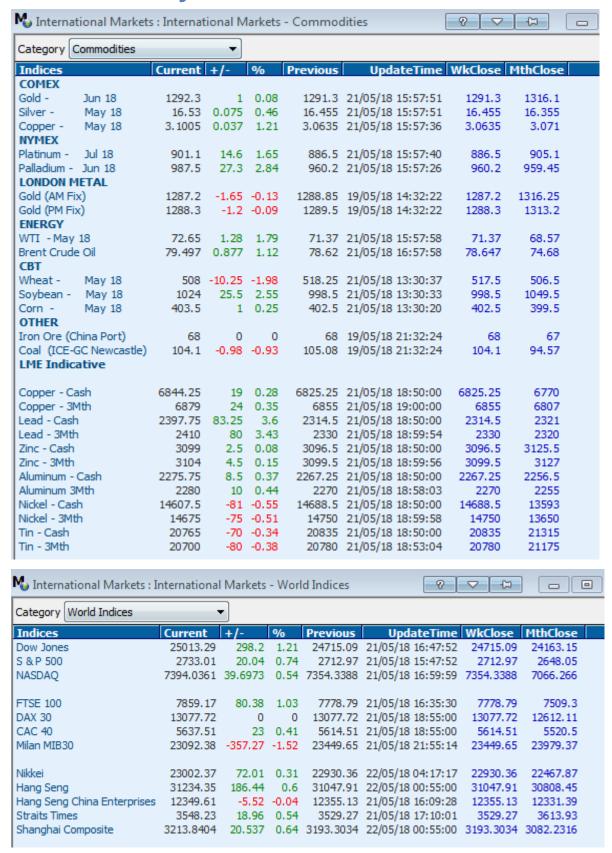
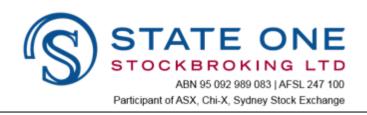


Level 14 172 St Georges Terrace PERTH WA 6000 PO Box 7625 CLOISTERS SQUARE WA 6850 ROYAL EXCHANGE NSW 1225 P: +61 8 9288 3388

Suite 606, Level 6 83 York Street SYDNEY NSW 2000 PO Box R1931 P: +61 2 9024 9100

Daily Resources Overview





PRECIOUS METALS COMMENTARY

Gold prices are slightly down, and up from the daily lows, in early-afternoon dealings Monday. The yellow metal dropped to a five-month low in early U.S. action. Upbeat investor risk appetite in the world marketplace continues to work against the safe-haven metals. Also, the U.S. dollar index continues to appreciate, to the chagrin of the precious metals market bulls. The U.S. dollar index scored a six-month high today. June Comex gold futures were last down \$2.20 an ounce at \$1,289.10. July Comex silver was last up \$0.055 at \$16.51 an ounce.

Some short covering in the futures market and bargain hunting in the cash market did lift gold up from the stronger losses seen in U.S. and overnight trading. The gold market is now short-term oversold on a technical basis, and due for a corrective bounce very soon.

World stock markets were higher today and U.S. stock indexes were solidly higher in midday New York day trading, to underscore the upbeat trader and investor risk attitudes at present.

Also, the world marketplace has been put a bit more at ease by news the U.S. and China have agreed to set aside their trade dispute and not slap tariffs on each other's goods, for now. U.S. Treasury Secretary Mnuchin made that announcement over the weekend.

European traders and investors are still nervous regarding the potential for Italy's antiestablishment parties to form a government, and then pulling out of the European Union. Such has caused the yield spread between German and Italian government bonds to widen substantially.

The other key "outside market" today finds Nymex crude oil prices trading higher and above \$72.00 a barrel. The rallying oil market is a bullish element for the precious metals that is at least limiting the downside for them. Source: Kitco

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Alan Hill Executive Chairman Phone: +61 8 9288 3388 ahill@stateone.com.au

Morris Levitzke Equities Advisor Phone: +61 8 9288 3315 mlevitzke@stateone.com.au

Dawn Chia Business Development Manager Phone: +61 8 9288 3336 Dawn.Chia@stateone.com.au Ric Heydon
Equities & Derivatives Advisor
Phone: +61 8 9288 3307
rheydon@stateone.com.au

Graeme Johnson Equities & Derivatives Advisor Phone: +61 8 9288 3316 gjohnson@stateone.com.au

David Zhang Equities Advisor Phone: +61 2 9024 9130 dzhang@stateone.com.au Mark Sullivan Institutional Dealer Phone: +61 2 9024 9134 msullivan@stateone.com.au

Yitz Barber Equities Advisor Phone: +61 2 9024 9107 ybarber@stateone.com.au

David Brennan Senior Investment Analyst Phone: +61 2 9024 9142 <u>dbrennan@stateone.com.au</u> Thomas Tan Equities Advisor Phone: +61 2 9024 9131 ttan@stateone.com.au

Tammie Wong
Equities Advisor
Phone: +61 2 9024 9133
twonq@stateone.com.au

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