



Daily Resources Overview

30 July 2018

International Markets : International Markets - Commodities

Indices	Current	+/-	%	Previous	UpdateTime	WkClose	MthClose
COMEX							
Gold - Aug 18	1232.7	-2.6	-0.21	1235.3	27/07/18 16:39:08	1231.1	1254.5
Silver - Sep 18	15.493	-0.002	-0.01	15.495	27/07/18 16:39:06	15.549	16.198
Copper - Sep 18	2.802	-0.016	-0.57	2.818	27/07/18 16:38:57	2.756	2.966
NYMEX							
Platinum - Oct 18	831.7	-4	-0.48	835.7	27/07/18 16:39:31	829.5	857.7
Palladium - Sep 18	918.5	-15.1	-1.62	933.6	27/07/18 16:39:39	888.9	950.9
LONDON METAL							
Gold (AM Fix)	1219.15	-9.2	-0.75	1228.35	28/07/18 01:00:00	1224.85	1250.55
Gold (PM Fix)	1223.95	-4.3	-0.35	1228.25	28/07/18 01:00:00	1228.75	1250.45
ENERGY							
WTI - May 18	68.69	-0.92	-1.32	69.61	27/07/18 16:39:09	68.26	74.15
Brent Crude Oil	74.33	0.053	0.07	74.277	28/07/18 03:33:01	72.957	79.2
CBT							
Wheat - Sep 18	530.5	-6	-1.12	536.5	27/07/18 16:40:21	516.75	506.5
Soybean - Nov 18	885.25	9.25	1.06	876	27/07/18 16:38:11	864.5	887.5
Corn - Dec 18	376.25	0.5	0.13	375.75	27/07/18 16:24:08	369.25	372.75
OTHER							
Iron Ore (China Port)	67.5	0	0	67.5	28/07/18 20:07:01	67	67
Coal (ICE-GC Newcastle)	115.43	-0.24	-0.21	115.67	28/07/18 20:07:00	113.35	111.33
LME Indicative							
Copper - Cash	6274.25	7.75	0.12	6266.5	27/07/18 18:50:00	6122.5	6625
Copper - 3Mth	6297	6	0.1	6291	27/07/18 19:00:00	6147.5	6626
Lead - Cash	2129.25	-17	-0.79	2146.25	27/07/18 18:50:00	2115.5	2405.25
Lead - 3Mth	2145	-19	-0.88	2164	27/07/18 18:59:54	2135	2410
Zinc - Cash	2655.5	27.5	1.05	2628	27/07/18 18:50:00	2618	2906.5
Zinc - 3Mth	2596	12	0.46	2584	27/07/18 18:59:59	2575	2854
Aluminum - Cash	2054.5	5.5	0.27	2049	27/07/18 18:50:00	2079	2153.5
Aluminum 3Mth	2071	4	0.19	2067	27/07/18 18:59:36	2029	2133
Nickel - Cash	13770	93	0.68	13677	27/07/18 18:50:00	13437	14823
Nickel - 3Mth	13860	85	0.62	13775	27/07/18 18:59:51	13530	14900
Tin - Cash	20045	80	0.4	19965	27/07/18 18:50:00	19575	19830
Tin - 3Mth	19925	75	0.38	19850	27/07/18 18:50:00	19485	19750

International Markets : International Markets - World Indices

Indices	Current	+/-	%	Previous	UpdateTime	WkClose	MthClose
Dow Jones	25451.06	-76.01	-0.3	25527.07	28/07/18 17:11:05	25451.06	24271.41
S & P 500	2818.82	-18.62	-0.66	2837.44	27/07/18 15:49:16	2818.82	2718.37
	7737.4193	-114.7654	-1.46	7852.1847	28/07/18 17:08:50	7737.4193	7510.3037
FTSE 100	7701.31	38.14	0.5	7663.17	27/07/18 16:35:30	7701.31	7636.93
DAX 30	12860.4	51.17	0.4	12809.23	27/07/18 18:55:00	12860.4	12306
CAC 40	5511.76	31.21	0.57	5480.55	27/07/18 18:55:00	5511.76	5323.53
Milan MIB30	21955.08	92.21	0.42	21862.87	28/07/18 04:25:16	21955.08	21626.27
Nikkei	22712.75	125.88	0.56	22586.87	27/07/18 15:15:02	22712.75	22304.51
Hang Seng	28804.28	23.14	0.08	28781.14	27/07/18 16:08:52	28804.28	28955.11
Hang Seng China Enterprises	11047.42	26.07	0.24	11021.35	27/07/18 16:08:52	11047.42	11073
Straits Times	3324.98	-3.62	-0.11	3328.6	27/07/18 17:10:00	3324.98	3268.7
Shanghai Composite	2873.5938	-8.6316	-0.3	2882.2254	27/07/18 16:30:00	2873.5938	2847.4181

PRECIOUS METALS COMMENTARY

Gold futures closed lower on the week, losing value for the third consecutive week. More foreboding is the fact that not only has gold closed at the lowest value this year, but the last time gold futures closed near this level was almost a year ago.

If not for statements and tweets President Trump made during that day gold prices could have drifted much lower. Last Thursday the president spoke about his dissatisfaction with the current monetary policy of the Federal Reserve, and the leadership of Jerome Powell in an interview with CNBC. This was followed by a tweet the president sent a week ago Friday in which he tweeted “the United States should not be penalized because we are doing well. Tightening now hurts all that we have done. The US should be allowed to recapture what was lost due to illegal currency manipulation and BAD trade deals. Debt coming due & we are raising rates. Really?”

His statements made last Thursday during the CNBC interview and subsequent tweets moved the dollar index almost a full percentage point lower thereby causing gold to move from its low of \$1,211 back to \$1,231 by the close of trading on Friday of last week.

The dollar recovered and gained value this week. However, the dollar had fractional losses today even in light of the U.S. economy having its strongest quarter in nearly 4 years. The U.S. government reported a GDP that grew at a 4.1% annualized pace in the second quarter, dwarfing the revised 2.2% GDP growth during the first quarter of this year. The strong GDP reported could certainly strengthen the dollar next week thereby putting continued pressure on gold prices.

Potential catalyst?? U.S. President Donald Trump said on Sunday he would allow the federal government to shut down if Democrats refuse to back his demand for a wall at the Mexican border and other major changes to immigration laws his administration wants. “I would be willing to ‘shut down’ government if the Democrats do not give us the votes for Border Security, which includes the Wall! Must get rid of Lottery, Catch & Release etc. and finally go to system of Immigration based on MERIT! We need great people coming into our Country!” Trump said on Twitter.

The Republican president has used the threat of a government shutdown several times since taking office in 2017 in a bid to get his priorities in congressional spending bills, especially funding for a wall along the southern U.S. border. A disruption in federal government operations in the months before November congressional elections could backfire on Trump if voters blame Republicans, who control Congress, for the interruption in services. Source: Kitco

US Market

It was a week of two halves for US investors, with Wall Street falling for a second straight day as unease towards a number of companies in the tech sector got the better of the indices. The stock market's main gauges suffered their biggest one-day drop in weeks, with data showing the US economy recorded its strongest pace of growth since 2014 doing little to buoy stocks.

Still, the **S&P 500 and the Dow Jones Industrial Average managed to carve out gains** for the week, although the Nasdaq Composite fell 1.1 per cent. The Dow, up four weeks in a row, had its longest winning streak since January.

Many **industrials** that reported beat earnings forecasts and boosted their full-year outlooks. But Facebook's poor result, which was met with a monster \$121bn sell-off on Thursday, and Twitter, which dropped 20.5 per cent after revealing a fall in user numbers, cast a pall over many stocks in the tech and social media segment.

Telecommunications, up 1.9 per cent, financials and consumer staples, each up 0.1 per cent, were the only sectors to end higher. Technology was the worst by a long shot, down 2 per cent. US Treasuries were firmer on Friday but were still bearing the scars of a hefty sell-off from this time a week ago when media reports emerged suggesting the Bank of Japan was considering tweaking monetary policy.



Twitter Daily Chart (Source: Thomson Reuters)

Australian Market

Australian shares appear poised to open lower as the US tech sector continues, seemingly, to fall back to earth, relatively speaking. \$A retops US74¢. ASX futures down 26 points.

The Australian sharemarket has closed the week higher, hitting a fresh 10-year high on the back of improving commodity prices and improving market sentiment. The S&P/ASX 200 index rose 14.3 points, or 0.2 per cent this week to 6300.2, beating the previous 10-year high by 14 points.

Newcrest Mining shares also rose last week after the company announced record gold production at its Lihir project in Papua New Guinea. Its shares rose 5.9 per cent to \$21.28.

Domain and Fairfax Media shares both rose on the back of an announced merger that would see Fairfax and Nine Entertainment form a new company called Nine. Fairfax shares closed the week flat at 80.5¢ while Domain shares were 8.1 per cent higher at \$3.35. Nine Entertainment shareholders were not as optimistic on the deal. Its shares fell 13.1 per cent to \$2.19.

AMP announced on Friday that the cost of its governance scandal would hit about \$500 million over the next few years. It said that is was also putting asing \$290 million to compensate customers who received poor or no advice, going back 10 years. It also flagged a fall in first half underlying profits worth up to \$63 million. Its shares fell 9.1 per cent to \$3.30.



Domain Daily Chart (Source: Thomson Reuters)

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