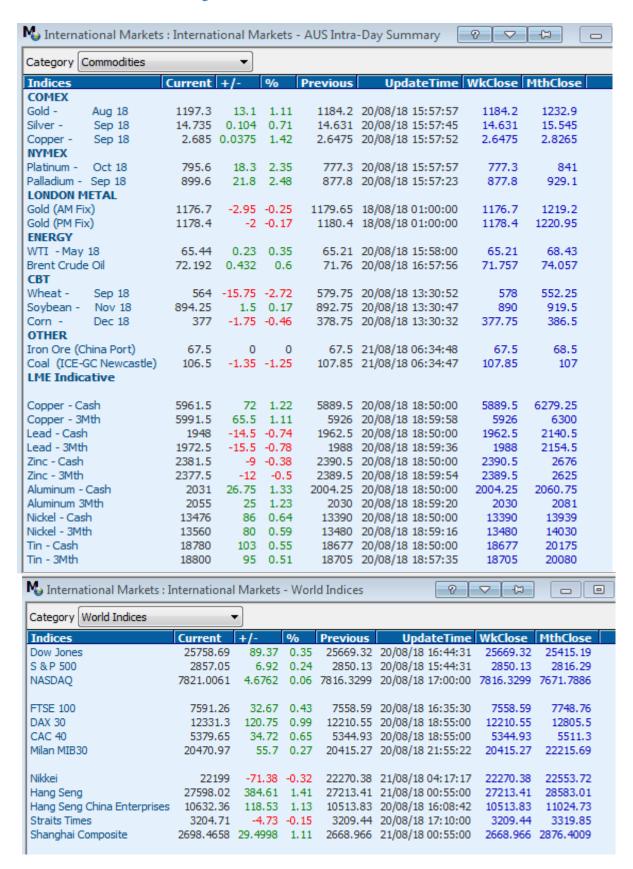


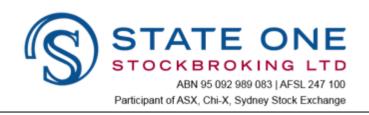
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Daily Resources Overview

21 August 2018





PRECIOUS METALS COMMENTARY

Gold prices are posting good gains in early-afternoon U.S. trading Monday, with silver just modestly up. Some positive economic news coming out of China, a major metals importer, helped to lift the metals markets today. Also, some short covering in the gold and silver futures markets was featured following the recent selling pressure. The gold and silver market bears appear to be exhausted, which begins to suggest market bottoms are in place. December gold futures were last up \$10.20 an ounce at \$1,194.40. September Comex silver was last up \$0.044 at \$14.675 an ounce.

The foreign exchange market has stabilized early this week following recent turmoil that was mainly the fault of a severely depreciated Turkish lira. The Chinese yuan climbed today on reports Chinese economic officials want to stimulate spending on infrastructure projects. Late last week it was also reported that the U.S. and China will begin low-level trade talks later this month, to try to resolve their present trade war.

A highlight of the trading week will be the annual meeting of world central bankers in Jackson Hole, Wyoming, late this week. The Fed's FOMC minutes are also due out Wednesday afternoon.

The key outside markets today find the U.S. dollar index near steady and not far below last week's 14-month high. Meantime, Nymex crude oil prices are firmer and trading just above \$66.00 a barrel. Oil prices hit a seven-week low late last week and are still trending lower.

Technically, gold bears still have the overall near-term technical advantage amid a price downtrend on the daily bar chart. Gold bulls' next upside near-term price breakout objective is to produce a close in December futures above solid resistance at \$1,226.00. Bears' next near-term downside price breakout objective is pushing prices below solid technical support at last week's low of \$1,167.10.

. Source: Kitco

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