

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

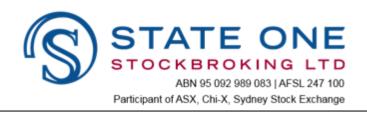
Suite 606, Level 6 83 York Street SYDNEY NSW 2000 PO Box R1931 P: +61 2 9024 9100

# **Daily Resources Overview**

### 9 November 2018







## PRECIOUS METALS COMMENTARY

Gold and silver prices are just modestly lower in early-afternoon U.S. trading Thursday. A rebound in the U.S. dollar index today, following selling pressure this week, worked against the precious metals market bulls. The metals markets showed no significant reactions to the just-released FOMC minutes that show no change in U.S. monetary policy. December gold futures were last down \$2.50 an ounce at \$1,226.30. December Comex silver was last down \$0.129 at \$14.43 an ounce.

Focus today was on the conclusion of the Federal Reserve's Open Market Committee (FOMC) meeting that began Wednesday morning and ended with a statement this afternoon. No change in U.S. interest rates is expected. The FOMC statement said to expect more incremental rate hikes coming down the road. Fed Chairman Jay Powell's will not hold a press conference this afternoon.

Risk appetite in the world marketplace is mostly upbeat following the U.S. mid-term elections that produced a divided Congress.

In overnight news, <u>upbeat economic data out of China defied expectations that its trade war</u> <u>with the U.S. is crimping its economy</u>. China's exports in October rose by 15.6%, year-on-year. That handily beat expectations of an 11% increase. Imports in October were up 21.4%, year-on-year. Imports from the U.S. dropped 1.8%. This data suggests China could be in no hurry to settle its trade dispute with the U.S. However, as has been the case for years, some do question the veracity of China's economic numbers.

The other key "outside market" today finds Nymex crude oil prices lower, hitting a sevenmonth low and trading just below \$62.00 a barrel. The severely down-trending crude oil market is a bearish element for the raw commodity sector, including the metals market

Gold bulls' next upside near-term price breakout objective is to produce a close above solid technical resistance at the October high of \$1,246.00. Bears' next near-term downside price breakout objective is pushing December futures prices below solid technical support at last week's low of \$1,213.40. 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@amscot.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 <u>dzhang@stateone.com.au</u> 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 twong@stateone.com.au

Wayne Osterberg Equities Advisor Phone: +61 8 9288 3318 Wayne.Osterberg@stateone.com.au

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