



# Daily Resources Overview 21 January 2019

## International Markets: Commodities

Indices	Current	+/-	%	Previous	UpdateTime	WkClose	MthClose
<b>COMEX</b>							
Gold - Feb 19	1282.6	-9.7	-0.75	1292.3	18/01/19 16:38:45	1282.6	1284.7
Silver - Mar 19	15.399	-0.137	-0.88	15.536	18/01/19 16:37:37	15.399	15.56
Copper - Mar 19	2.719	0.039	1.46	2.68	18/01/19 16:38:43	2.719	2.643
<b>NYMEX</b>							
Platinum - Jan 19	802.1	-10.2	-1.26	812.3	18/01/19 16:37:19	802.1	801.4
Palladium - Mar 19	1335.1	-13.1	-0.97	1348.2	18/01/19 16:38:11	1335.1	1197.5
<b>LONDON METAL</b>							
Gold (AM Fix)	1285.05	-8.95	-0.69	1294	19/01/19 00:00:01	1285.05	1281.65
Gold (PM Fix)	1284.2	-6.5	-0.5	1290.7	19/01/19 00:00:01	1284.2	1279
<b>ENERGY</b>							
WTI - Feb 19	54.04	1.68	3.21	52.36	18/01/19 16:37:32	54.04	45.81
Brent Crude Oil	62.501	0	0	62.501	20/01/19 16:55:00	62.513	54.141
<b>CBT</b>							
Wheat - Mar 19	517.75	0	0	517.75	18/01/19 16:34:49	519.25	504.25
Soybean - Mar 19	916.75	9	0.99	907.75	18/01/19 16:33:11	917.5	895
Corn - Mar 19	381.75	1.75	0.46	380	18/01/19 16:20:23	381.75	375.75
<b>OTHER</b>							
Iron Ore (China Port)	74.5	0.5	0.68	74	21/01/19 08:31:54	74.5	71.5
Coal (ICE-GC Newcastle)	101	-0.52	-0.51	101.52	21/01/19 08:31:54	101	101.12
<b>LME Indicative</b>							
Copper - Cash	6029.5	64.75	1.09	5964.75	18/01/19 18:50:00	6029.5	5949
Copper - 3Mth	6052	60	1	5992	18/01/19 18:59:55	6052	5965
Lead - Cash	1988.75	42	2.16	1946.75	18/01/19 18:50:00	1988.75	2007
Lead - 3Mth	1998	35	1.78	1963	18/01/19 18:59:55	1998	2021
Zinc - Cash	2590.5	36.25	1.42	2554.25	18/01/19 18:50:00	2590.5	2518.5
Zinc - 3Mth	2580	33	1.3	2547	18/01/19 18:57:46	2580	2467
Aluminum - Cash	1862	17.75	0.96	1844.25	18/01/19 18:50:00	1862	1862.75
Aluminum 3Mth	1870	12	0.65	1858	18/01/19 18:59:37	1870	1846
Nickel - Cash	11771.5	226	1.96	11545.5	18/01/19 18:50:00	11771.5	10604.5
Nickel - 3Mth	11820	230	1.98	11590	18/01/19 18:57:05	11820	10690
Tin - Cash	20735	45	0.22	20690	18/01/19 18:50:00	20735	19520
Tin - 3Mth	20625	40	0.19	20585	18/01/19 18:58:47	20625	19475

## International Markets: World Indices

Indices	Current	+/-	%	Previous	UpdateTime	WkClose	MthClose
Dow Jones	24706.35	336.25	1.38	24370.1	19/01/19 15:09:36	24706.35	23327.46
S & P 500	2670.71	34.75	1.32	2635.96	18/01/19 15:43:15	2670.71	2506.85
NASDAQ	7157.2276	72.7643	1.03	7084.4633	19/01/19 15:09:36	7157.2276	6635.2774
FTSE 100	6968.33	133.41	1.95	6834.92	18/01/19 16:35:30	6968.33	6728.13
DAX 30	11205.54	286.92	2.63	10918.62	18/01/19 18:55:00	11205.54	10558.96
CAC 40	4875.93	81.56	1.7	4794.37	18/01/19 18:55:00	4875.93	4730.69
Milan MIB30	19708.06	237.68	1.22	19470.38	19/01/19 04:25:20	19708.06	18324.03
Nikkei	20666.07	263.8	1.29	20402.27	18/01/19 15:15:02	20666.07	20014.77
Hang Seng	27090.81	335.18	1.25	26755.63	18/01/19 16:09:00	27090.81	25845.7
Hang Seng China Enterprises	10636.97	124.82	1.19	10512.15	18/01/19 16:09:00	10636.97	10124.75
Straits Times	3224.34	9.9	0.31	3214.44	18/01/19 17:10:01	3224.34	3068.76
Shanghai Composite	2596.0056	36.3686	1.42	2559.637	18/01/19 16:30:00	2596.0056	2493.8962

## PRECIOUS METALS COMMENTARY

Before the ink had much time to dry on the finalized Barrick-Randgold deal, Newmont Mining Corp. announced it was buying Goldcorp, Inc. on Monday for \$10 billion to create a gold producer that will top Barrick's now \$24 billion market cap once completed. The agreement will combine two gold industry leaders into [Newmont Goldcorp](#), to create an unmatched portfolio of operations, projects, exploration opportunities, reserves, and people in the gold mining complex.

This deal brings more investor attention to an undervalued sector, which may have formed a significant bottom late last year. While gold was forming an accumulative rounded bottom, junior developers, who are in the process of proving up high-margin projects, were being sold for tax-loss. Many of these sub-\$200M market cap companies remain deeply undervalued in comparison to where they were trading the last time gold was being bid near \$1300 in early 2018. Once gold climbs above \$1300, the market will be gradually re-rating high-margin project developers, or producers will be acquiring them.

Meanwhile, the overbought gold price continues to consolidate in a \$20 range above \$1280 after making an eight percent move higher in just eight weeks. Although the overall trend in gold is clearly higher, it has run into strong resistance after a long rally and is attempting to work off an extreme overbought situation by consolidating in this tight range. This week's failure to close above \$1300 is most likely signalling a conclusion to the current rally and the beginning of a correction.

Another positive scenario taking place is gold beginning to rally with the stock market and remaining well bid despite the recent strength in the U.S. dollar. Bullion accumulation is being driven by political events as are the currencies and share markets and is reflecting investors uneasiness about what lies ahead.

This Fed induced weakness in the world's reserve currency, along with global market volatility, influenced the market to begin pricing in the possibility of a rate-cut. If the Fed indeed cuts rates later this year, it could easily be the catalyst to break gold out of the rounded base below \$1375 it has been forming for nearly six years. Source: Kitco

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Alan Hill  
Executive Chairman  
Phone: +61 8 9288 3388  
[ahill@stateone.com.au](mailto:ahill@stateone.com.au)

Ric Heydon  
Equities & Derivatives Advisor  
Phone: +61 8 9288 3307  
[rheydon@stateone.com.au](mailto:rheydon@stateone.com.au)

Mark Sullivan  
Institutional Dealer  
Phone: +61 2 9024 9134  
[msullivan@stateone.com.au](mailto:msullivan@stateone.com.au)

Thomas Tan  
Equities Advisor  
Phone: +61 2 9024 9131  
[ttan@stateone.com.au](mailto:ttan@stateone.com.au)

Morris Levitzke  
Equities Advisor  
Phone: +61 8 9288 3315  
[mlevitzke@stateone.com.au](mailto:mlevitzke@stateone.com.au)

Graeme Johnson  
Equities & Derivatives Advisor  
Phone: +61 8 9288 3316  
[gjohnson@stateone.com.au](mailto:gjohnson@stateone.com.au)

Yitz Barber  
Equities Advisor  
Phone: +61 2 9024 9107  
[ybarber@stateone.com.au](mailto:ybarber@stateone.com.au)

Tammie Wong  
Equities Advisor  
Phone: +61 2 9024 9133  
[twong@stateone.com.au](mailto:twong@stateone.com.au)

Dawn Chia  
Business Development Manager  
Phone: +61 8 9288 3336  
[Dawn.Chia@stateone.com.au](mailto:Dawn.Chia@stateone.com.au)

David Zhang  
Equities Advisor  
Phone: +61 2 9024 9130  
[dzhang@stateone.com.au](mailto:dzhang@stateone.com.au)

David Brennan  
Senior Investment Analyst  
Phone: +61 2 9024 9142  
[dbrennan@stateone.com.au](mailto:dbrennan@stateone.com.au)

Wayne Osterberg  
Equities Advisor  
Phone +61 8 9288 3318  
[Wayne.Osterberg@stateone.com.au](mailto:Wayne.Osterberg@stateone.com.au)

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