



# Daily Resources Overview

Wednesday 16 August 2017

## Commodity price movement

Commodity	Price	1D %ch	1M %ch	1Y %ch	YTD %ch
<b>Precious Metals (COMEX)</b>					
Gold (US\$/oz)	1271.85	-0.8	3.3	-5.2	10.9
Silver (US\$/oz)	16.65	-2.4	4.1	-15.9	4.6
Platinum (US\$/oz)	980.75	-0.8	4.3	-14.0	6.3
<b>Industrial Metals (LME)</b>					
Copper (US\$/t)	6344.00	-0.4	7.4	33.3	14.9
Aluminium (US\$/t)	2054.25	1.3	7.7	23.3	20.6
Lead (US\$/t)	2381.50	2.0	2.9	27.1	18.1
Zinc (US\$/t)	2946.00	1.5	5.7	30.4	15.2
Tin (US\$/t)	20100.00	-1.0	1.5	10.2	-4.9
Nickel (US\$/t)	10298.50	-1.0	8.1	-1.6	3.4
<b>Bulks</b>					
Iron Ore (US\$/t)	73.68	-1.4	12.1	22.4	-6.6
Coking Coal (US\$/t)	198.90	0.0	17.5	81.6	-12.9
Thermal Coal (US\$/t)	74.00	1.4	7.3	32.1	6.8
<b>Energy</b>					
Brent Crude (US\$/bbl)	51	0.4	3.6	-2.0	-13.4
Natural Gas (US\$/MMBtu)	2.97	-0.8	-0.3	11.1	-19.1
Uranium (US\$/lb)	20.80	-0.2	0.0	-20.5	1.7
<b>Softs</b>					
Wheat (US\$/bu)	456	-2.5	-14.7	-10.1	-1.9
Sugar (US\$/lb)	13	-2.7	-8.2	-31.0	-29.6
Corn (US\$/bu)	369	-2.1	-5.4	-2.0	-3.0
Soy (US\$/bu)	924	-1.5	-7.7	-2.1	-6.6
Cotton (US\$/lb)	68	-1.2	0.7	-0.6	-4.2
<b>Other</b>					
CRB Comdty Index	440	-0.2	-0.8	7.1	4.1

## Global resource share price movement

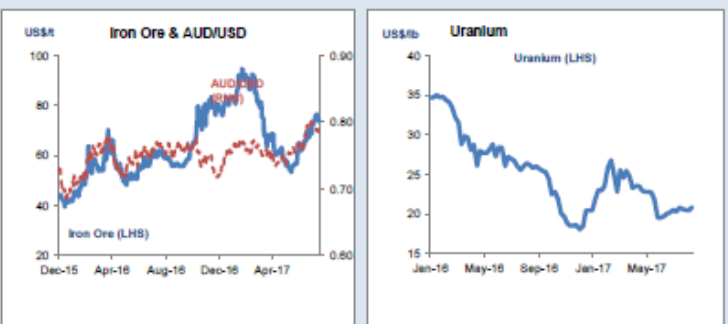
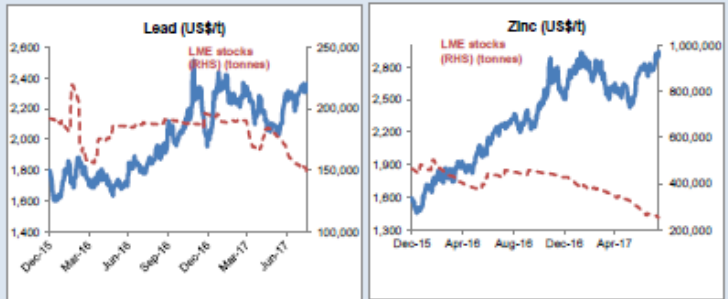
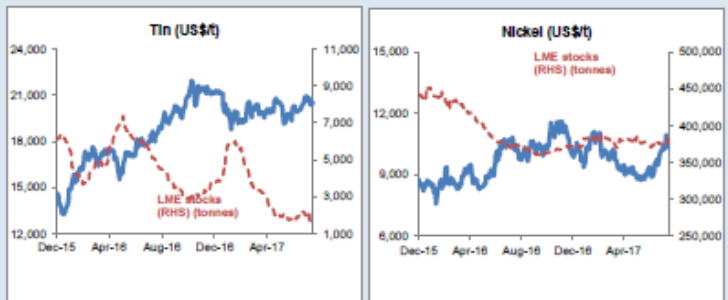
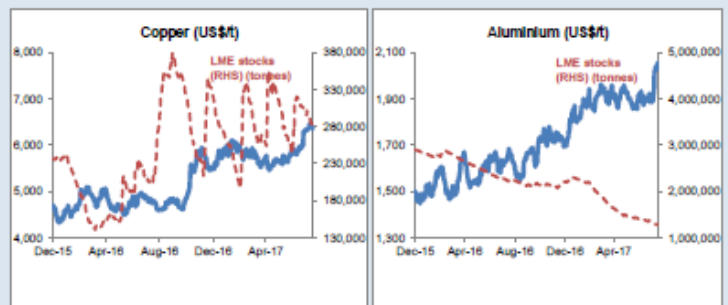
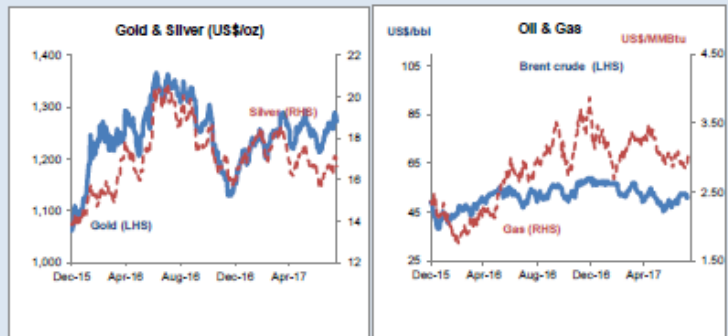
Company Name	Sector	1D %ch	1M %ch	1Y %ch	YTD %ch
Barrick Gold	Gold	-1.0	3.5	-23.1	3.6
Newmont	Gold	-0.7	7.4	-20.4	5.0
Goldcorp	Gold	-0.8	-2.2	-32.4	-6.4
Anglo Platinum	Platinum	-1.9	3.9	-28.1	23.0
Anglo American	Diversified	-1.2	11.1	42.3	7.0
BHP Billiton PLC	Diversified	-1.4	1.9	26.5	2.2
Rio Tinto PLC	Diversified	-1.1	-2.1	38.6	6.9
Teck Resources	Diversified	-0.2	16.1	35.7	5.4
Glencore	Diversified	-0.2	4.8	73.3	20.6
Vale	Iron Ore	-0.1	4.8	83.0	24.8
Fortescue	Iron Ore	-1.8	3.6	20.8	-7.3
South32	Diversified	-1.3	9.4	49.5	9.8
China Shenhua	Coal	-3.9	3.6	44.7	48.7
Freeport McMoRan	Copper	-1.3	10.9	14.8	5.9
Antofagasta	Copper	-1.0	7.3	79.2	36.4
Alcoa	Aluminium	0.8	3.2	59.2	33.5
Chinalco	Aluminium	-3.9	17.8	81.1	61.3
Rusal	Aluminium	-2.3	20.8	78.9	52.1
Norilsk Nickel	Nickel	-2.9	3.6	-7.4	-12.3
Timah PT	Tin	0.0	13.9	0.6	-23.7
Boliden	Zinc	-1.9	5.2	30.8	5.3
Cameco	Uranium	-0.9	-2.7	-3.8	-12.7
Arcelor Mittal	Steel	-0.3	-0.2	29.9	4.0

## Commodity currency exchange rates (note: red = weakness against US\$)

Cross-rate	Spot	1D %ch	1M %ch	1Y %ch	YTD %ch
AUD/USD	0.78	0.0	0.3	1.6	8.5
USD/ZAR	13.32	0.0	-2.8	0.8	3.2
USD/BRL	3.17	0.6	0.4	0.5	2.7
USD/CAD	1.28	0.0	-0.4	0.9	5.4
USD/RUB	59.70	0.0	-0.6	6.9	3.1
USD/CNY	6.69	-0.2	1.3	-0.7	3.9

## LME warehouse inventories

Commodity	Tonnes	1D %ch	1M %ch	1Y %ch	YTD %ch
Copper	280,975	-0.8	-10.3	35.6	-12.8
Aluminium	1,288,925	-0.2	-6.7	-42.1	-41.6
Lead	149,225	-1.8	-5.7	-20.4	-23.5
Zinc	252,900	-0.9	-5.2	-44.8	-40.9
Tin	1,750	1.2	-9.6	-65.2	-53.3
Nickel	384,258	2.4	2.6	4.1	3.5



## Precious Metals Commentary

**Gold prices were ending the U.S. day session lower but up from the daily lows in early afternoon trading Tuesday.** An uptick in investor risk appetite so far this week is a bearish element for the safe-haven metal. Some profit taking from the shorter-term futures traders has also been featured earlier this week. And an upbeat U.S. economic report Tuesday morning also worked against the gold and silver market bulls.

The key U.S. economic data point of the day Tuesday was the retail sales report for July. Sales came in stronger than expected at up 0.6%. Sales were expected to come in at up 0.4% in July versus down 0.2% in June. The stronger retail sales reading dropped the gold market to its daily low. This report also falls into the camp of the U.S. monetary policy hawks, who want to see the Federal Reserve raise interest rates again this year. Gold has arguably benefited at times the past several years from very loose monetary policies from the world's major central banks.

World stock markets were mostly higher again Tuesday, on a further apparent de-escalation of the U.S. and North Korea stand-off regarding its nuclear missiles. North Korean news reports Tuesday said President Kim Jong Un has decided not to fire missiles at Guam. The U.S. secretary of defense and secretary of state, as well as other Trump administration officials, in recent days said they are trying to achieve denuclearization of North Korea through diplomacy. Source: Kitco

.....interesting comment on Bitcoin vs Gold

*After talk of \$1,300 gold last week, the metal is facing a 1% drop this Tuesday -- its steepest percentage drop in six weeks. December gold was last quoted down \$14.20 and trading around \$1,273.80 an ounce. 'As the U.S stability is called into question, it benefits other fiats and not gold as much as it could -- this is because while [gold] is money, it is not a currency,' explains Vince Lanci, founder of trading firm Echobay Partners and an editor for marketslant.com. The precious metal was hurting after better than expected U.S. retail and manufacturing sales came in Tuesday morning. Cryptocurrency Bitcoin was still hovering around the \$4,000 benchmark, marking a 300% increase since the start of the year. 'Bitcoin and gold would make the perfect combo; bitcoin, unlike gold, is a currency and not money,' Lanci said*

## AUSTRALIA MARKET COMMENTARY

A wave of earnings statements will set the tone for the open after a mixed session on Wall Street. ASX futures dipped 4 points. \$A extends slide towards a US77¢ handle. Iron ore retreated, gold slipped and copper dipped. Oil edged higher. Commonwealth Bank - plagued by an investigation into money laundering by AUSTRAC - traded in the red on Tuesday, while the rest of the big four banks found buying support.

Domino's was the biggest story on the ASX yesterday as investors sent the market darling sharply lower, but shares were higher overall as global markets shook off the geopolitical woes that have dampened sentiment over the last week. Telcos and technology stocks found healthy buying support while a dip in the oil price and Chinese iron ore futures weighed on the bigger energy and mining names.

ANZ lifted its third quarter cash profit by 5.3 per cent over the first two quarters to \$1.79 billion due to stronger owner-occupier housing lending. Investors were pleased with the result and boosted the stock 1.3 per cent.



CBA Daily chart (Source: Thomson Reuters)

## US MARKET COMMENTARY

The Dow Jones Industrial Average was up 5.28 points, or 0.02 percent, to 21,998.99, the **S&P 500 lost 1.23 points, or 0.05 percent**, to 2,464.61 and the Nasdaq Composite dropped 7.22 points, or 0.11 percent, to 6,333.01.

Treasury yields rose by the most in over a week on Tuesday as traders ratcheted up their bets on a third US interest rate rise this year following a spate of upbeat economic data this morning. Yield on the benchmark 10-year US bond – which moves inversely to price – rose by as much as 6.3 basis points to 2.2816 per cent. The gauge had briefly touched a five-year low last week amid mounting tensions between the US and North Korea.

Home Depot's stock was down 2.7 percent and was the biggest drag for both the S&P 500 and Dow. Although the home improvement chain reported strong earnings and raised its forecast, investors appeared to be worried about supply constraints in the housing market that could be a drag on Home Depot's future earnings. Shares of smaller rival Lowe's Cos were down 4.4 percent.



Home Depot Daily Chart (Source - Thomson Reuters)

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