



Daily Resources Overview

Monday 19 February 2018

Commodity price movement

Commodity	Price	1D %ch	1M %ch	1Y %ch	YTD %ch
Precious Metals (COMEX)					
Gold (US\$/oz)	1347.10	0.1	1.4	9.0	4.7
Silver (US\$/oz)	16.65	-0.5	-3.2	-8.0	-1.7
Platinum (US\$/oz)	1005.00	1.1	0.6	-0.8	8.0
Industrial Metals (LME)					
Copper (US\$/t)	7191.00	0.7	2.2	20.2	-0.2
Aluminium (US\$/t)	2218.00	2.5	1.7	17.7	-1.7
Lead (US\$/t)	2615.50	-0.5	2.9	15.7	5.3
Zinc (US\$/t)	3598.50	0.1	4.3	26.2	7.8
Tin (US\$/t)	21750.00	0.8	6.3	10.4	8.6
Nickel (US\$/t)	13870.50	-1.7	11.1	26.0	9.2
Bulks					
Iron Ore (US\$/t)	77.09	0.1	5.1	-10.0	6.4
Coking Coal (US\$/t)	233.10	0.0	-8.3	50.6	-10.4
Thermal Coal (US\$/t)	102.47	-4.4	-2.6	24.2	-1.4
Energy					
Brent Crude (US\$/bbl)	65	0.8	-5.7	15.3	-2.4
Natural Gas (US\$/MMBtu)	2.61	-0.5	-11.5	-11.3	-9.1
Uranium (US\$/lb)	21.95	0.0	-8.5	-12.4	-9.5
Softs					
Wheat (US\$/bu)	472	-0.8	9.7	-10.0	7.1
Sugar (US\$/lb)	13	-1.7	-3.6	-31.8	-11.6
Corn (US\$/bu)	375	-0.1	5.1	-8.5	4.5
Soy (US\$/bu)	1,033		5.4	0.3	6.1
Cotton (US\$/lb)	76	0.4	-7.0	0.9	-3.7
Other					
CRB Comdty Index	442	0.2	0.7	1.6	2.2

Global resource share price movement

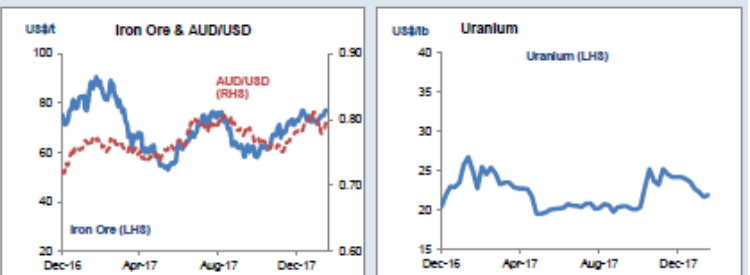
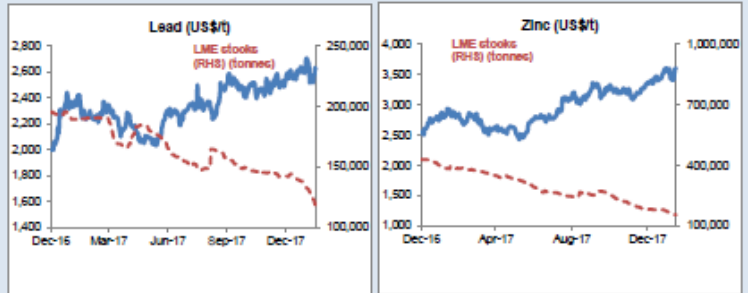
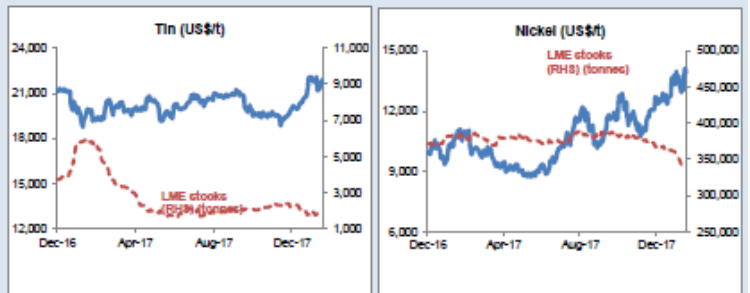
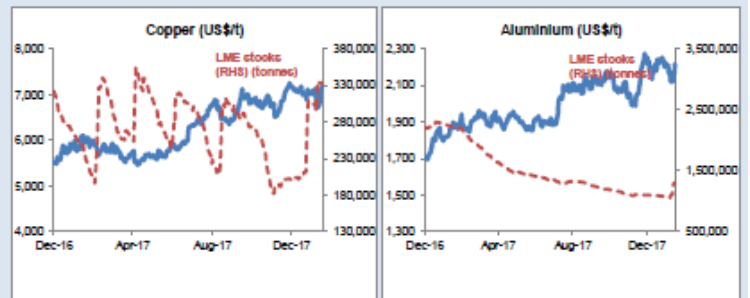
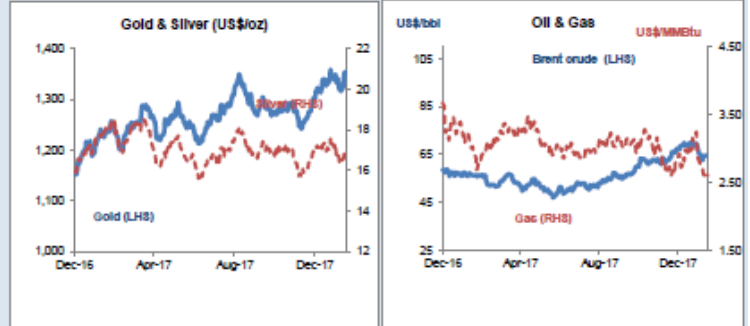
Company Name	Sector	1D %ch	1M %ch	1Y %ch	YTD %ch
Barrick Gold	Gold	-1.2	-7.7	-34.7	-8.9
Newmont	Gold	-0.8	-0.3	5.7	4.2
Goldcorp	Gold	-2.1	-6.2	-22.4	5.7
Anglo Platinum	Platinum	1.8	-8.2	5.1	-2.6
Anglo American	Diversified	1.3	-0.7	30.0	12.8
BHP Billiton PLC	Diversified	-1.3	2.7	18.3	6.6
Rio Tinto PLC	Diversified	-0.6	2.3	14.0	4.1
Teck Resources	Diversified	-1.1	3.1	35.4	13.8
Glencore	Diversified	0.0	-4.7	23.5	-0.5
Vale	Iron Ore	0.2	7.4	35.1	14.3
Fortescue	Iron Ore	-0.7	4.5	-22.2	9.6
South32	Diversified	-5.1	-13.8	23.4	-4.9
China Shenhua	Coal	2.1	-1.1	59.3	9.9
Freeport McMoRan	Copper	-2.0	-3.5	25.6	-1.2
Antofagasta	Copper	-1.9	-8.4	9.3	-9.0
Alcoa	Aluminium	-0.4	-10.6	30.8	-12.1
Chinalco	Aluminium	3.8	-16.3	19.9	-11.6
Rusal	Aluminium	0.2	-3.3	35.2	3.1
Norilsk Nickel	Nickel	-8.2	-5.6	14.9	2.4
Timah PT	Tin	2.3	14.7	4.8	41.3
Boliden	Zinc	-0.1	0.2	3.8	2.8
Cameco	Uranium	-0.7	-3.4	-24.6	-0.3
Arcelor Mittal	Steel	0.8	-4.8	10.9	4.9

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

Cross-rate	Spot	1D %ch	1M %ch	1Y %ch	YTD %ch
AUD/USD	0.79	-0.4	-1.1	2.9	1.3
USD/ZAR	11.60	0.2	5.9	12.4	6.8
USD/BRL	3.23	0.0	-0.2	-4.4	2.5
USD/CAD	1.26	-0.6	-1.1	4.4	0.1
USD/RUB	56.42	0.0	0.2	2.1	2.3
USD/CNY	6.34	0.0	1.5	8.3	2.6

LME warehouse inventories

Commodity	Tonnes	1D %ch	1M %ch	1Y %ch	YTD %ch
Copper	332,775	-0.2	62.6	40.6	65.0
Aluminium	1,296,450	-0.6	19.6	-41.3	17.7
Lead	117,375	-1.4	-16.5	-37.9	-17.5
Zinc	151,850	-1.7	-15.8	-61.5	-16.7
Tin	1,800	0.8	-12.9	-68.7	-16.2
Nickel	338,958	-0.2	-6.9	-10.8	-7.8



PRECIOUS METALS COMMENTARY

The Chinese New Year, also known as the Spring Festival began on Friday last week initiating the Year of the Dog. Trading was quiet in Asia as markets closed in observance of this holiday.

Substantial weekly gains characterized gold pricing as the U.S. dollar index lost ground throughout the trading week. Gold futures (April 2018 contract) had significant gains trading from the lows on Monday at \$1,317 per ounce, to its current pricing at \$1,351.20. Gaining approximately \$34 in trading this week, the vast majority of those gains were the result of a sizable upside spike on Wednesday which added over \$20 in value, with a range of \$39.

Silver is also garnering a lot of attention; however, it is mostly negative as many investors are wondering why silver is not outperforming gold. Silver has lagged behind the yellow metal as the gold/silver ratio holds near a multi-year high above 80 points. The historical average for the ratio is around 60 points

Mellor said that they have seen bearish sentiment in the U.S. dollar pick up since the U.S. Congress passed historic tax cuts in late December. Mellor added that the threat of the U.S. deficit growing by \$1.5 trillion over 10 years because of the tax cuts continues to weigh the currency market.

“For the U.S. dollar, the worry is where all this spending is going. And of course, there is now a rising threat of stagflation as inflation rises and the economy slows,” he said.

But not only is the greenback dealing with domestic issues, but it also has to compete in a global market that is showing definite signs of growth.

Jameel Ahmad, global head of currency strategy and market research at FXTM, said in an email comment to Kitco News that investors are focusing on ongoing growth in regions like Europe, which could lead to aggressive central bank monetary policy action.

“The distance in economic recovery between the United States and developed economies has been narrowing for some time, but it has now come to the attention of traders that it is only a matter of time before other major central banks prepare the financial markets for their own adjustments to increase interest rates,” he said in an email to Kitco News. “It is quite clear that the market remains negative on the dollar. As long as the market remains negative on the USD, gold can continue to advance higher.”

Source: Kitco

Australian Market

The S&P/ASX 200 was down by 4 points or by 0.1 per cent and closed at 5904 while All Ordinaries were down by 3 points and traded at 6004 as Healthcare sector was one of the best performing sectors and was up by 0.9 per cent on Friday. It is expected that strong earnings growth and the absence of a recession on the horizon might allow the share markets to trend higher this year as US monetary policy is still easy.

Primary Healthcare shares were lifted by 3.4 per cent and closed at \$3.65 as its half yearly net profits increased by 5 per cent. Medibank Private was up by 3.6 per cent while Star Entertainment fell by 6.3 per cent and traded at \$3.15 and \$5.67 respectively. South 32 was down by 5.1 per cent and closed at \$3.32. Post releasing of Whitehaven's profits, the shares were down by 4.5 per cent as coal prices rose which soared the profits by 63 per cent.

The financial sector also lost 0.1 per cent over the week. Westpac, ANZ and NAB slipped by 0.8 per cent, by 0.8 per cent and by 0.3 per cent respectively and traded at \$30.22, \$27.85 and at \$29.22 respectively. Domino's dropped by 1 per cent after releasing its financial results. Baby Bunting profits for December 17 were down by a third as compared to the prior corresponding period.



Westpac Daily Chart (Source: Thomson Reuters)

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