



Daily Resources Overview

Commodity News

APR 18 WTI Crude rallied \$0.78, or 1.24%, to 63.55.

APR 18 Brent Crude gained \$0.92, or 1.39%, to 67.31.

MAR 18 Natural Gas fell \$0.01, or 0.34%, to 2.625.

APR 18 Iron Ore added \$0.72, or 0.93%, to US\$78.09 a tonne.

FEB 18 Gold sold off \$2.40, or 0.18%, to 1328.2.

LME base metal futures fell: Aluminium fell 2.06%. Copper 0.94%. Nickel 0.47%. Zinc 0.79%.

MAR 18 COMEX Copper sold off \$0.03, or 0.89%, to 3.2125.

Premium Hard Coking Coal gained \$0.001, or 0.04%, to 233.1.

Spot Asian LNG inched up \$0.001, or 50.17%, to 7.884.

Australian Stocks

London

BLT: BHP Billiton down 0.34%, or 5.20p, which leaves BHP at a 13.5% premium. Volume was 5.1mln.

CYBG: Clydesdale Bank down 1.35%, or 4.00p, to 292.8p (A\$5.22) from the Australian close of \$5.21. Volume was 1.8mln.

S32: South32 up 1.81%, or 3.30p, to 185.6p (A\$3.31) from the Australian close of \$3.35. Volume was 2.9mln.

RIO: Rio Tinto down 0.53%, or 21.50p, which leaves RIO at a 13.3% premium. Volume was 2.3mln.

Company	Offshore close	%	A\$ equiv	A\$ close	Diff %
BHP (US)	48.30	+1.5	30.81	30.68	+0.4
BHP (UK)	15.16	-0.3	27.03	30.68	-11.9
Rio Tinto (US)	57.07	+0.8	72.80	80.85	-10.0
Rio Tinto (UK)	40.02	-0.5	71.34	80.85	-11.8
South32 (UK)	1.86	+1.8	3.31	3.35	-1.2

PRECIOUS METALS COMMENTARY

Gold prices ended Friday lower. Investors are starting to doubt whether they can count on the protective embrace of an accommodative U.S. central bank when markets go haywire.

Federal Reserve chair Jerome Powell has said little about the sharp fall in Wall Street stocks this month, besides offering the platitude at his swearing-in ceremony last week that “we will remain alert to any developing risks to financial stability.” But the spotlight will be on the new Fed chair next week when he faces questions from both houses of the U.S. Congress in semi-annual testimony starting on Tuesday, and his audience will include investors who unceremoniously greeted his early tenure with one of the fastest 10.0 percent falls in Wall Street stocks in history earlier this month.

“I don’t think it is a coincidence that this occurred at the same time as we saw the passing of the baton between two different Fed chairs,” said Kristina Hooper, global market strategist at Invesco Ltd, an asset management company, adding that former Fed chair Janet Yellen had “lulled” markets into complacency. Powell could be very different from Yellen, she said. The notion that the Fed would always be there to prop up shell-shocked markets prompted the notion of a Fed “put” option under three prior Fed leaders - Janet Yellen, Ben Bernanke and Alan Greenspan. The term is a reference to the hedging strategy of using a put option to guarantee an investor a sale at a preset price to limit losses. Higher interest rates could lure cash out of the stock market and into bonds as yields rise. Higher rates could also tighten credit for consumers as well as companies that have struggled to grow their sales as quickly as their profits during this economic recovery.

Some investors have even argued that the Fed’s desire to avoid tripping up markets risks the central bank moving too late to prevent a rise in inflation and a market bubble. The argue that an economy that is overheating would require potentially destabilizing interest rate hikes later. The Fed needs to slow the economy down a bit for its own good, as so far the Fed’s efforts at tightening financial conditions have not been successful, said Tony Crescenzi, market strategist and portfolio manager at Pacific Investment Management Co. Striking the right balance is not always easy though. In 2008 the Fed was preoccupied with inflation, while subprime mortgage products built up excessive leverage in bank balance sheets, provoking systemic problems in markets that lead to the worst global recession since the 1930s.

In his first months as a Fed governor back in 2012, Powell was among those who pressured then-chair Bernanke for more clarity on his plan to “taper” the central bank’s bond buying. When Bernanke made the plan public, it triggered the so-called “taper tantrum” sell-off in the bond market in the summer of 2013.

Source: Kitco

US Market

Wall Street was firing on all cylinders by the close of trading on Friday, with the Nasdaq Composite surging to its first daily gain of the holiday-shortened week as all three major US equities indices advanced more than 1 per cent and notched weekly gains. Utilities and energy sectors led the benchmark S&P 500, which rose 1.61 per cent on to 2,747.30. The Dow Jones Industrial Average ended 1.4 per cent higher at 25,309.99, thanks in part to a 4 per cent jump for Intel. The Nasdaq Composite shook off a four-day losing streak to finish up 1.77 per cent to 7,337.

The strong finish helped Wall Street achieve back-to-back weekly gains. For the week — not including Monday, when markets were closed for Presidents Day — the S&P 500 rose 0.56 per cent, the Dow increased 0.37 per cent and the Nasdaq Composite gained 1.35 per cent. The advances come as investors regained their footing following interest-rate fears fanned by the release, midweek, of minutes from the Federal Reserve's January meeting.



S&P 500 Daily Chart (Source: Thomson Reuters)

Australian Market

The S&P/ASX 200 climbed up by 48 points or by 0.8 per cent and reached to 5999 points while All Ordinaries rose by 47 points or by 0.8 per cent and traded at 6105 that was primarily driven by a rise of 37 per cent in A2 shares and Miners and Banks were the strongest performers on ASX.

BHP was up by 1.6 per cent and traded at \$30.68 while South32 was up by 6.7 per cent and ended at \$3.35. Newcrest Mining climbed up by 2.1 per cent and closed at \$22.12. CBA and Westpac were up by 1.1 per cent and by 0.9 per cent and traded at \$75.46 and at \$30.49 respectively. Seven West Media shares jumped by 30.6 per cent whereas its competitor Nine Entertainment climbed up by 27.8 per cent as both firms released its earnings during the period. Travel firms also performed well on weekly basis like Webjet, Corporate Travel Management and Flight Centre were lifted by 23 per cent, 20.2 per cent and by 15.9 per cent and closed at \$11.78, \$25.27 and at \$56.31 respectively. Platinum shares fell by 11.8 per cent and closed the session at \$6.90 as there were changes in its management and Andrew Clifford will take over Kerr Neilson's place of an asset manager. A2 Milk and Altium both were up around 30 per cent. Crown Resorts is performing really well and there are two major developments in its pipeline, as it is seeking finance for its proposed 90-storey skyscraper in Melbourne. Nanosonics fell by 8 per cent after revealing a steep drop in its interim profits and a smaller decline in sales over the same period. Woolworths was a notable decline as it fell by 1.43 per cent. Commonwealth Bank shared edged up by 1.42 per cent as it reported that there was no need of a disclosure regarding any price sensitive information related to Austrac proceedings. NextDc climbed up by 8.75 per cent as its revenue climbed up by 32 per cent for the first half of the current year. MYOB's net profit after tax earnings rose by 16.3 per cent for the year ending 31 December 2017 and because of which the shares rose by 4.04 per cent.



Altium Daily Chart (Source: Thomson Reuters)

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