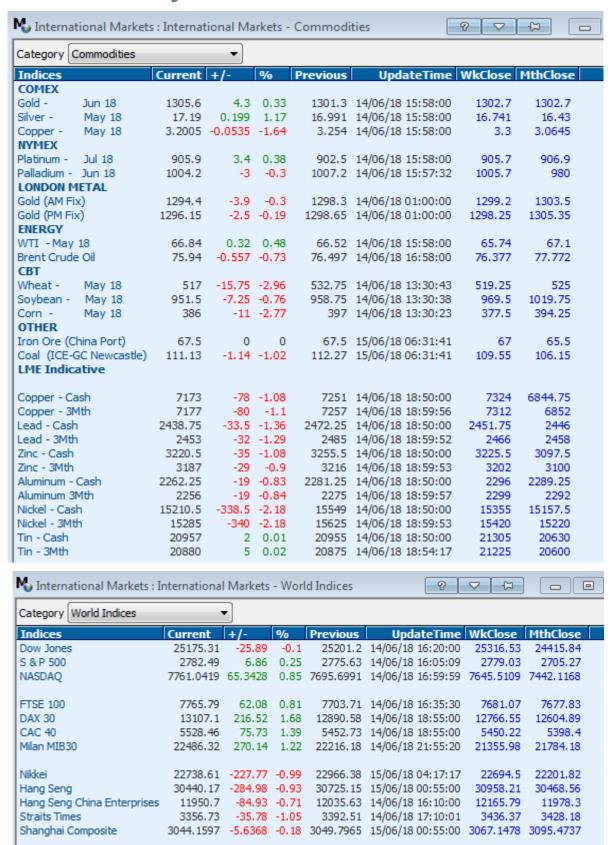
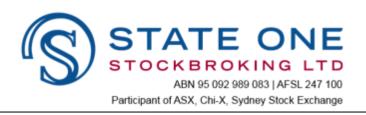


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Daily Resources Overview





PRECIOUS METALS COMMENTARY

Gold and silver prices are higher in early-afternoon U.S. trading Thursday, but down from their daily highs. Still, both metals are showing surprising and impressive resilience in the face of a strong surge in the U.S. dollar index today. Gold prices hit a four-week high and silver hit a seven-week high today. August Comex gold futures were last up \$5.80 an ounce at \$1,307.10. July Comex silver was last up \$0.244 at \$17.235 an ounce.Gold and silver both saw short covering in the futures markets, along with bargain hunting and maybe even some safe-haven demand. The gold market's gains today, amid the strong U.S. dollar, are another clue the yellow metal has put in a near-term bottom and can now trade at least sideways, if not sideways to higher, in the near term. The big news of the day saw the European Central Bank's Governing Council leave its interest rates unchanged, as expected. However, policymakers announced they envision ending the bond-buying program, which is referred to as quantitative easing (QE), at the end of 2018. "The Governing Council expects the key ECB interest rates to remain at their present levels at least through the summer of 2019 and in any case for as long as necessary to ensure that the evolution of inflation remains aligned with the current expectations of a sustained adjustment path," said a policy statement from the ECB.

The U.S. dollar index dramatically reversed course and rallied after the ECB news, after being under good selling pressure overnight. While the ending of QE appears hawkish, currency traders beat the Euro currency down on the wording that the ECB intends to keep interest rates at present levels through at least 2019. The ECB also today downgraded its economic growth forecasts for the Euro zone. Reports say the Trump administration is set to levy a new batch of tariffs on Chinese imports as soon as Friday. It is expected that China would again retaliate with its own tariffs on U.S. imports. Commodity market prices have been hit by worries of a full-blown trade war between the leading economies of the world. However, this matter is bullish for safe-haven gold and silver markets. The other key "outside market" today finds Nymex crude oil prices near steady and trading just below \$67.00 a barrel. Source: Kitco



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