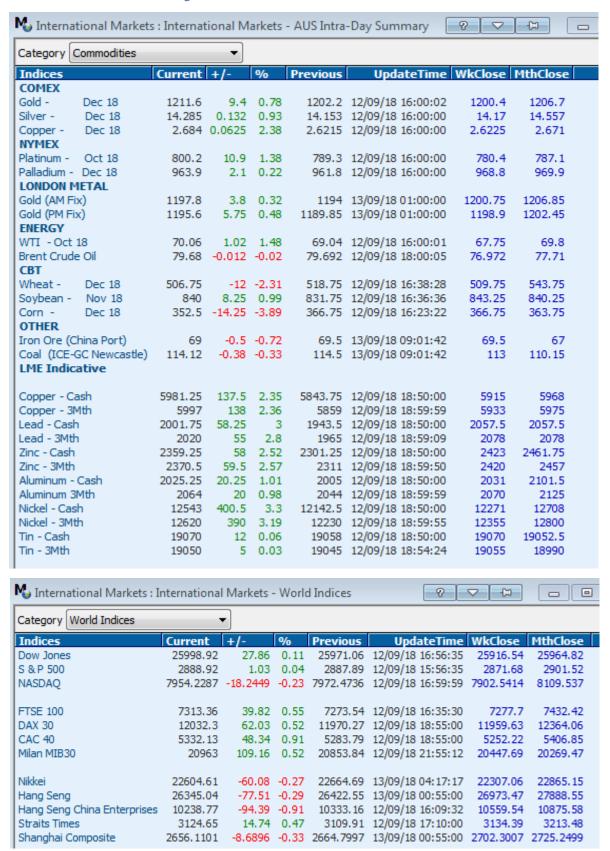


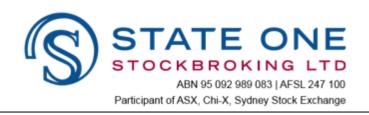
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Daily Resources Overview

13 September 2018





PRECIOUS METALS COMMENTARY

Gold prices are sporting decent gains in early-afternoon U.S. trading Wednesday. The yellow metal was under modest pressure overnight but prices started to move north as the U.S. dollar index moved south. There are also reports today the U.S. made an overture to China to restart trade talks. Ideas the world's two largest economies may be moving closer to a trade agreement can be extrapolated to mean an eventual trade agreement would produce more U.S.-China commerce and in turn see better demand for precious metals coming from China. December gold futures were last up \$7.10 an ounce at \$1,209.30. December Comex silver was last up \$0.117 at \$14.265 an ounce.

Short covering in the gold and silver futures markets and perceived bargain-basement buying in the cash markets were featured today.

The key U.S. economic report today saw the August producer price index come in at down 0.1%, which was surprising as PPI was expected to be up 0.2% from July. That report did work to pressure the U.S. dollar index.

Traders were awaiting the Federal Reserve's beige book to be released early this afternoon.

On Thursday the European Central Bank meets and is expected to report it will continue to pull back from years of a very easy monetary policy. The Bank of England also holds is regular monetary policy meeting Thursday.

The other key outside market today finds Nymex crude oil prices higher and above \$70.00 a barrel—and near the recent summertime highs. That's also bullish for the precious metals.

Source: Kitco

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