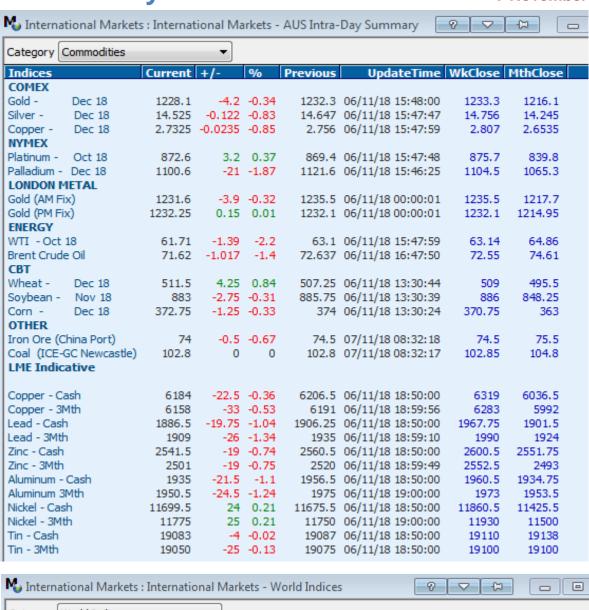


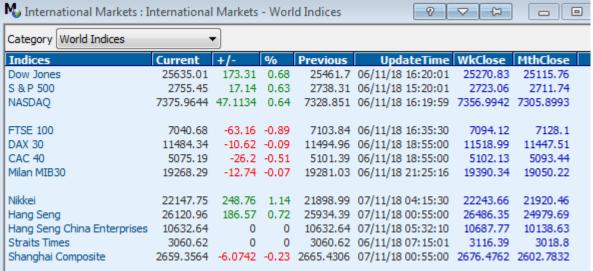
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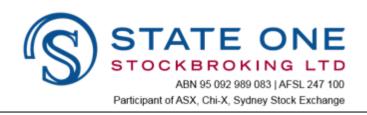
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Daily Resources Overview

7 November 2018







PRECIOUS METALS COMMENTARY

Gold and silver prices are moderately lower in early-afternoon U.S. trading Tuesday. A modest rebound in the U.S. dollar index today, as well as a rally in the U.S. stock market, put some downside pressure on the precious metals markets. Trading was choppy and two-sided as the world marketplace awaits the outcome of the U.S. mid-term elections.

December gold futures were last down \$5.10 an ounce at \$1,227.20. December Comex silver was last down \$0.107 at \$14.54 an ounce.

Many believe today's U.S. vote is a referendum on the performance of President Donald Trump. Big gains by the Democrats would likely be initially bearish for the U.S. stock market and would signal gridlock in Congress the next two years.

If the Democrats score big gains, the downside pressure it would exert on the U.S. equities markets as well as the gridlock in Congress would definitely have a bullish influence on gold prices. It would create uncertainty which in and of itself has historically been the catalyst for gold pricing to move higher.

A bearish U.S. equities markets would certainly influence the Federal Reserve in terms of their pace and goal in taking interest rates to what they believe are normal. Currently it is highly anticipated that there will be one more interest rate hike this year, which will occur in December immediately following the conclusion of the FOMC meeting.

On Wednesday and Thursday the Federal Reserve's Open Market Committee (FOMC) meets to discuss U.S. monetary policy, with a statement due Thursday afternoon. No change in interest rates is expected at this meeting. Source: Kitco

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