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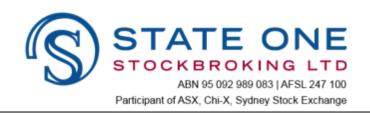
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Daily Resources Overview

15 November 2018







PRECIOUS METALS COMMENTARY

Gold prices are moderately up and trading at their daily highs in early-afternoon U.S. trading Wednesday. Some short covering by the shorter-term futures traders is featured today, as well as some perceived bargain basement buying in the cash market. The silver market is slightly up at midday after dipping to a nearly three-year low overnight. December gold futures were last up \$7.30 an ounce at \$1,208.60. December Comex silver was last up \$0.088 at \$14.065 an ounce.

A sell off in the U.S. stock market today is also aiding the safe-haven gold market.

The U.S. economic highlight of the day was the release of the <u>Consumer Price Index</u> <u>for October</u>, which came in at up 0.3%, which was right in line with expectations and had little impact on the metals. This report fell into the camp of those believing U.S. inflation, while creeping up recently, is not yet problematic.

The recent big <u>drop in crude oil prices</u> has spooked the world marketplace. Nymex crude oil futures prices are firmer today on a corrective bounce after hitting an 11-month low of \$54.75 a barrel on Tuesday. In less than six weeks' time Nymex crude prices have dropped by over \$20 a barrel. The steep slide in oil prices is a bearish element for most of the raw commodity sector, including the metals, as oil is arguably the leader of that sector.

In other overnight news, <u>China's industrial output</u> was reported up a better-than-expected 5.9% in October, year-on-year. However, China's retail sales rose by 8.6% in October, which is down from a 9.2% pace in September, year-on-year.

Germany's gross domestic product shrank 0.8% in the third quarter, for the slowest pace of growth for the leading European Union economy in over five years.

Meantime, the Euro zone GDP was reported up 0.2% in the third quarter, and up 1.7%, year-on-year, which was in line with market expectations. Source: Kitco

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