

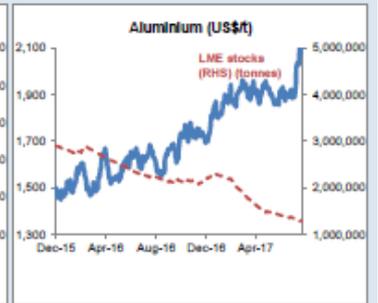
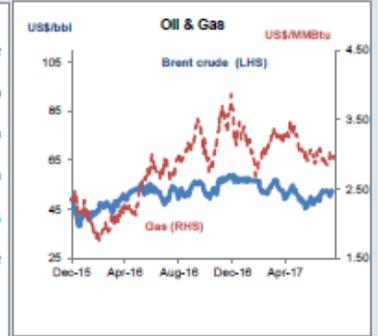
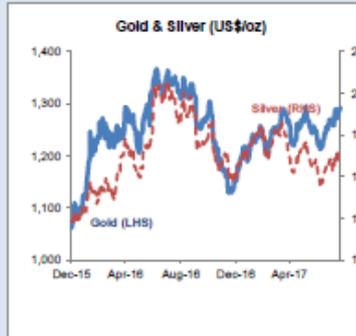


# Daily Resources Overview

Tuesday 22 August 2017

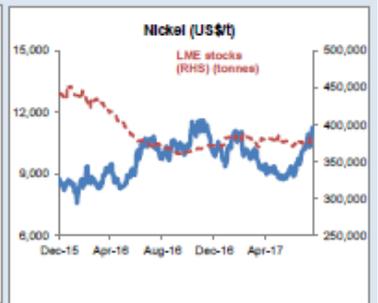
## Commodity price movement

Commodity	Price	1D %ch	1M %ch	1Y %ch	YTD %ch
<b>Precious Metals (COMEX)</b>					
Gold (US\$/oz)	1292.03	0.4	3.6	-4.0	12.8
Silver (US\$/oz)	17.02	0.0	3.0	-10.0	6.9
Platinum (US\$/oz)	981.30	0.3	4.9	-11.0	8.6
<b>Industrial Metals (LME)</b>					
Copper (US\$/t)	6551.25	1.5	9.7	36.9	18.6
Aluminium (US\$/t)	2089.25	0.9	10.4	26.3	22.6
Lead (US\$/t)	2320.25	-0.6	4.9	24.0	16.0
Zinc (US\$/t)	3119.00	0.1	13.5	36.4	21.9
Tin (US\$/t)	20500.00	1.3	1.4	10.6	-3.0
Nickel (US\$/t)	11263.50	3.1	19.0	9.3	13.0
<b>Bulks</b>					
Iron Ore (US\$/t)	79.93	2.6	19.1	31.1	1.3
Coking Coal (US\$/t)	194.60	0.0	11.8	67.8	-13.9
Thermal Coal (US\$/t)	100.10	4.9	19.1	49.2	6.0
<b>Energy</b>					
Brent Crude (US\$/bbl)	52	-2.0	6.9	-5.2	-12.2
Natural Gas (US\$/MMBtu)	3.01	2.4	1.4	13.4	-18.2
Uranium (US\$/lb)	20.90	0.0	3.5	-20.1	2.2
<b>Softs</b>					
Wheat (US\$/bu)	437	-1.2	-16.4	-15.6	-6.0
Sugar (US\$/lb)	14	0.8	-6.1	-28.8	-27.5
Corn (US\$/bu)	363	-0.8	-7.8	-5.1	-4.5
Soy (US\$/bu)	936	-0.2	-8.4	-1.1	-5.4
Cotton (US\$/lb)	69	1.4	-0.6	1.7	-2.7
<b>Other</b>					
CRB Comdty Index	438	-0.2	-1.6	5.8	3.5



## Global resource share price movement

Company Name	Sector	1D %ch	1M %ch	1Y %ch	YTD %ch
Barrick Gold	Gold	1.6	4.4	-18.0	5.8
Newmont	Gold	2.2	6.5	-17.1	7.5
Goldcorp	Gold	1.1	-5.2	-29.0	-4.3
Anglo Platinum	Platinum	1.0	11.0	-20.9	30.7
Anglo American	Diversified	1.2	18.6	48.9	11.6
BHP Billiton PLC	Diversified	1.1	4.9	22.7	2.6
Rio Tinto PLC	Diversified	0.8	3.1	41.3	9.4
Teck Resources	Diversified	1.9	22.4	47.1	11.2
Glencore	Diversified	-0.6	8.9	82.7	24.2
Vale	Iron Ore	0.6	10.6	82.6	26.5
Fortescue	Iron Ore	6.4	15.6	21.6	-0.7
South32	Diversified	-0.3	8.1	45.5	6.9
China Shenhua	Coal	1.5	-0.6	60.7	51.9
Freeport McMoRan	Copper	4.1	13.2	23.1	11.7
Antofagasta	Copper	1.2	7.7	69.1	41.4
Alcoa	Aluminium	1.9	5.1	67.3	37.0
Chinalco	Aluminium	0.2	15.2	88.4	67.8
Rusal	Aluminium	0.2	27.4	85.1	63.1
Norilsk Nickel	Nickel	1.4	7.4	-3.5	-9.8
Timah PT	Tin	4.3	14.1	0.6	-20.9
Boliden	Zinc	-0.3	6.5	39.9	11.1
Cameco	Uranium	0.4	-1.8	0.3	-12.8
Arcelor Mittal	Steel	-0.1	2.7	29.2	5.4



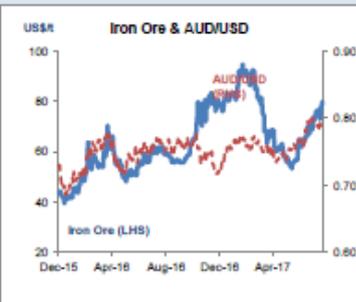
## Commodity currency exchange rates (note: red = weakness against US\$)

Cross-rate	Spot	1D %ch	1M %ch	1Y %ch	YTD %ch
AUD/USD	0.79	0.0	0.2	4.1	10.1
USD/ZAR	13.17	0.0	-1.6	3.1	4.3
USD/BRL	3.17	-0.6	-0.7	1.1	2.8
USD/CAD	1.28	0.0	-0.4	3.1	7.0
USD/RUB	59.17	0.0	1.5	9.5	4.0
USD/CNY	6.67	0.0	1.5	-0.3	4.2



## LME warehouse inventories

Commodity	Tonnes	1D %ch	1M %ch	1Y %ch	YTD %ch
Copper	281,700	-3.6	-14.7	24.2	-18.8
Aluminium	1,298,225	0.9	-4.2	-42.2	-41.1
Lead	147,950	-0.1	-4.7	-20.9	-24.1
Zinc	247,850	-0.1	-7.9	-45.6	-42.1
Tin	1,945	0.0	-10.0	-58.8	-48.1
Nickel	384,594	-0.1	2.2	3.0	3.6



## Precious Metals Commentary

**Gold futures prices ended the U.S. day session higher and closed at a 2.5-month high close Monday.** Safe-haven demand and technical buying were again featured in the yellow metal.

The highlight of the trading week will be the annual central bankers meeting held in Jackson Hole, Wyoming, Thursday through Saturday. Highlights of central bank speakers from around the world include Federal Reserve Chair Janet Yellen and European Central Bank President Mario Draghi. The marketplace will closely examine the Jackson Hole speeches for clues on future monetary policy moves by the world's major central banks. In recent years the Jackson Hole central bankers confab has significantly moved the markets.

The U.S.-North Korea stand-off regarding North Korea's nuclear missile program is still near the front burner of the marketplace. That's still a supportive element for safe-haven gold. The U.S. and South Korea will hold joint military exercises this week, which could prompt an angry reaction from North Korea.

Also supporting gold is a Trump administration that remains in turmoil. That is also a bearish element for the U.S. stock market. The U.S. stock market has become wobbly during the dog days of August, partly on worries about Trump's ability to achieve his objectives amid such controversy. Trump economic advisors resigned last week and advisor Steve Bannon has been fired. Trump will deliver a speech on Afghanistan to the American public Monday evening. Source: Kitco

**2 Year Gold London Fix PM Daily with 30 and 200-day moving averages**



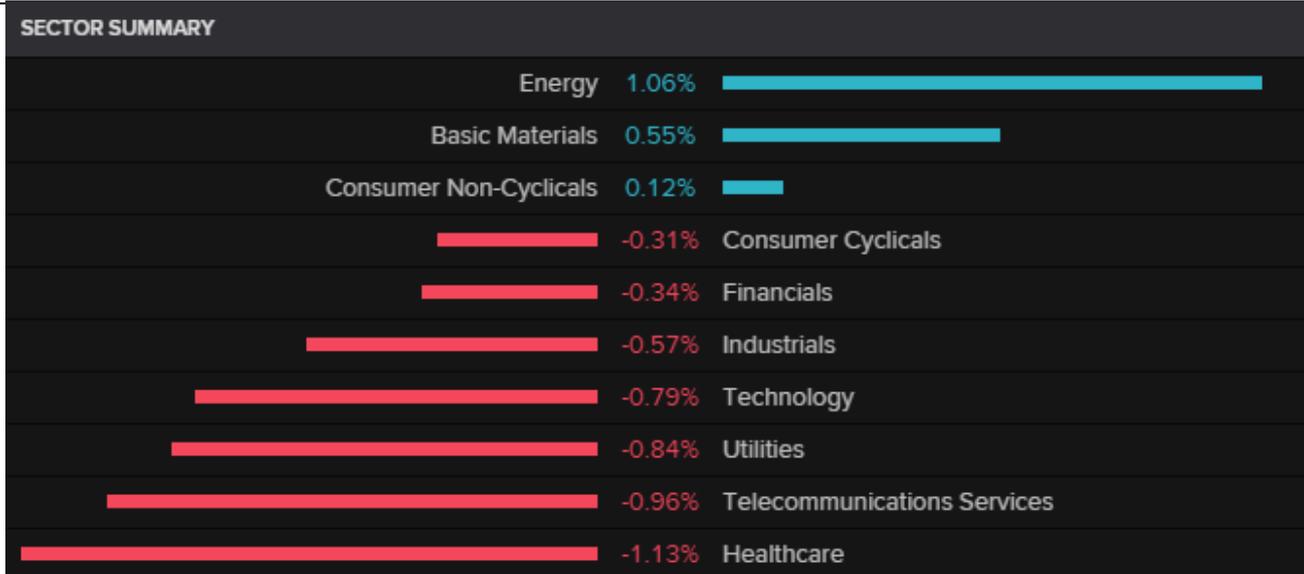
## AUSTRALIA MARKET COMMENTARY

Australian shares closed lower on Monday, tracking weakness on Wall Street amid increasing doubts about the Trump administration's ability to deliver on its economic agenda. **The S&P/ASX 200 finished down 0.4% (21.2 points) at 5725.90.** Trump has alienated many senior members of his own Republican Party, some corporate leaders and U.S. allies with his comments after violence at a Virginia rally organized by neo-Nazis and white supremacists. In a surprise move, Trump on Friday fired chief strategist Steve Bannon, known as an economic nationalist and an advocate of "America First" policies. Commonwealth Bank of Australia, which has found itself in troubled waters in the past two weeks over damaging publicity about a money-laundering lawsuit, fell nearly 1% to close at its lowest in more than two months. Other banks in the "Big Four" followed suit, with National Australia Bank slipping 0.5% to its lowest in a week. Bucking the trend, the metals and mining index posted small gains helped by world no. 4 iron ore miner Fortescue Metals which climbed 6.4% to close at its highest in over two weeks.



S&P/ASX 200 Daily chart (Source: Thomson Reuters)

The best performers of the session were Beach Energy Ltd (AX:BPT), which rose 10.5%, G8 Education Ltd (AX:GEM) 8.9% and Fortescue Metals Group Ltd (AX:FMG) was up 6.4%. The worst performers of the session were Bluescope Steel Ltd (AX:BSL), which fell 21.8%, Vocus Group Ltd (AX:VOC) declined 14.6% and Galaxy Resources Limited (ASX:GXY) was down 4.2%.



Sector summary (Source - Thomson Reuters)

**Shares of BlueScope Ltd (ASX:BSL) tumbled 21.8% after its full-year underlying earnings missed estimates, and as the company said it expects net profit for first half of 2018 to be lower than second half of 2017.**

BlueScope announced a \$715.9 million reported net profit after tax (NPAT) for FY2017, a 102% increase on FY2016. Underlying NPAT of \$650.8 million was 112% higher than FY2016, while Underlying EBIT for the year was \$1,105.0 million, or \$1,131.2 million (including Taharoa iron sands' Contribution). The 89% growth in underlying EBIT over FY2016 was generated through delivery of productivity and cost improvements, sales growth, improved steel spreads and the full year benefit of the North Star acquisition. However, a sharp increase in energy costs for Australian operations risks undermining recent cost and productivity improvements. Combined gas and electricity costs for the company's major manufacturing sites at Port Kembla, Springhill and Western Port are forecast to increase 75% between FY2016 and FY2018, to an estimated \$145 million in FY2018. The company expects 1H FY2018 underlying EBIT around 80% of 2H FY2017 underlying EBIT (which was \$527.3 million).



BSL Daily chart (Source - Thomson Reuters)

## US MARKET COMMENTARY

Johnson & Johnson has been ordered to pay \$417m to a woman who claims she developed ovarian cancer as a result of using the company's Baby Powder for feminine hygiene. The California jury's verdict in favour of the patient was the biggest award so far in a string of lawsuits that allege J&J knew the product was risky if not properly used but did too little to warn its customers.

Foot Locker extended its slump on Monday, dropping another 6.2 per cent following a 28 per cent slide on Friday as analysts hit the athletic footwear chain with more downgrades amid growing questions over the viability of its business model. The stock fell to a near 5-year low of \$32.23 after UBS downgraded it and slashed its price target to \$37 from \$70. Analysts cited Foot Locker's disastrous second quarter earnings as an early warning sign of the structural changes starting to take place in the sportswear retail industry.



Foot Locker Daily Chart (Source - Thomson Reuters)

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