



## PRECIOUS METALS WEEKLY REVIEW AND OUTLOOK

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Weekly Price Review For The Week Ending			19-Oct-18	Date			20-Oct-18
<b>OTC Spot Market</b>	<b>High Bid</b>	<b>Low Offer</b>	<b>Close</b>	<b>WTD Change \$</b>	<b>WTD Change %</b>	<b>YTD Change %</b>	
Gold	\$1,233.00	\$1,218.50	\$1,225.75	\$8.25	0.68%	-5.86%	
Silver	\$14.84	\$14.43	\$14.59	\$0.04	0.27%	-13.92%	
<b>Options &amp; Forwards</b>	<b>ATM Options Vols</b>			<b>Forward Swaps</b>			
	<b>1 month</b>	<b>3 months</b>	<b>6 months</b>	<b>1 month</b>	<b>3 months</b>	<b>6 months</b>	
Gold	10.25%	9.95%	10.40%	2.40%	2.70%	2.70%	
Silver	17.15%	17.15%	17.75%	2.45%	2.75%	2.80%	
<b>Gold Prices in Other Currencies</b>	<b>EUR</b>	<b>GBP</b>	<b>CNY</b>	<b>INR</b>	<b>TRY</b>	<b>ZAR</b>	
Weekly Close	1,064.00	938.00	8,494.00	89,941.00	6,916.00	21,906.12	
WTD Change %	1.04%	1.41%	0.84%	0.37%	-3.23%	0.51%	
YTD Change %	-1.94%	-2.70%	0.24%	8.19%	40.14%	-5.14%	
<b>Silver Prices in Other Currencies</b>	<b>EUR</b>	<b>GBP</b>	<b>CNY</b>	<b>INR</b>	<b>MXN</b>	<b>PEN</b>	
Weekly Close	12.67	22.32	101.12	1,070.68	281.02	48.59	
WTD Change %	0.73%	0.90%	0.45%	-0.03%	2.46%	0.16%	
YTD Change %	-5.14%	-8.29%	40.14%	-11.00%	-15.60%	-11.42%	
<b>Physical Premia</b>	<b>Dubai</b>	<b>Hong Kong</b>	<b>Istanbul</b>	<b>Mumbai</b>	<b>Singapore</b>	<b>Shanghai</b>	
Gold Kg Bars Ask	\$0.25	\$1.50	\$0.50	(\$7.00)	\$1.20	\$7.00	
<b>Investment &amp; Trade Flows</b>	<b>ETF Holdings (fine ounces)</b>			<b>CME Open Interest (100 oz contract)</b>			
	<b>Weekly Close</b>	<b>WTD Change %</b>	<b>YTD Change %</b>	<b>Weekly Close</b>	<b>WTD Change %</b>	<b>YTD Change %</b>	
Gold	53,425,077	0.89%	-3.67%	472,903	-1.10%	0.27%	
Silver	637,409,685	0.19%	1.39%	199,051	-0.28%	2.70%	

### FROM THE NEWSWIRES

BENGALURU, Oct 19 (Reuters) - Gold prices edged up on Friday and were on course for a third straight week of gains, supported by robust technical momentum and a softer dollar. Spot gold was up 0.1 per cent to \$1,225.75 an ounce by 3:14 p.m. EDT (1914 GMT). The yellow metal was headed for a 0.7 per cent rise this week. "The technical posture of gold in near term basis has improved remarkably in the past two weeks," said Kitco Metals senior analyst Jim Wyckoff, adding that the volatility seen in the stocks markets worldwide recently has also been favouring the bullion. A recent sell-off in global stocks had prompted investors to seek refuge in gold, pushing prices of the bullion to a 2-1/2-month high, at \$1,233.26 earlier this week. However, equity markets recovered on Friday, capping gains in the bullion. Also supporting gold was a slightly weaker dollar, said David Meger, director of metals trading at High Ridge Futures. "We have seen a bit of a pick up in safe haven buying over the last couple of weeks based on the concerns we see in economy and equity markets weakening," Meger said. Gold, which is priced in dollars, is seen as a safe store of value during political and economic uncertainty. The dollar index .DXY against a basket of currencies was down 0.2 per cent, retreating from a one-week peak scaled earlier in the session. USD/ On the technical front, a rise above the 100-day moving average, around \$1,225, was also supporting gold, with some analysts saying a clear break above that level could trigger further gains and put further pressure on short-sellers. Further resistance for gold stood at about \$1,236.90 an ounce and then at \$1,240.00, Wyckoff said in a note. Indicative of an improvement in investor sentiment, holdings of the SPDR Gold Trust, the largest gold-backed ETF, have gained 2.5 per cent in the past two weeks. In other precious metals, silver gained 0.3 per cent to \$14.60.

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## MINDEX ANALYSIS AND OUTLOOK



Gold had a strong start to the week with the price spiking to a two and half month high of \$1233 in early trading on Monday as investors sought the safe haven of the yellow metal in the face of a cocktail of concerns over Italy's fiscal woes, the ongoing US versus China trade wars, Brexit and a diplomatic crisis between the West and Saudi Arabia over the disappearance of a leading journalist. Speculative short covering on the COMEX was also a feature as gold broke above the 100 day moving average pegged at \$1225, however the early strength soon dissipated as global equity markets stabilised and the USD rose following hawkish Fed minutes that pointed to a further rate hike in December and more to come in 2019. Gold fell to a low of

\$1218.50 on Thursday following the Fed news but rallied into the weekend despite dollar strength to end a volatile week up \$8.25 or 0.68% at \$1225.75 bid. The close was tantalisingly right on the 100 day MA and we could be in for a week of erratic sideways trading between technical parameters set by support at \$1215 and resistance at \$1235, pivoting around this long-term technical chart point before making the next major move.

Silver also started the week in a positive manner with the price reaching a high of \$14.84 on Tuesday as the industrial precious metal tracked gold higher, however the early strength was short-lived with silver falling almost 3% to a low point of \$14.43 on Thursday before recovering into the close on Friday to end with a modest 4 cents or 0.27% gain at \$14.59 bid. Looking ahead to the coming week we expect silver, as ever, to track gold's direction and given the fact that we expect a period of range trading in the yellow metal we anticipate the same in silver with the band of support set between \$14.25 and \$14 likely to contain the downside while \$14.85 has been reinforced as a point of stiff overhead resistance.



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