



PRECIOUS METALS WEEKLY REVIEW AND OUTLOOK

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Weekly Price Review For The Week Ending			02-Nov-18			Date			03-Nov-18		
OTC Spot Market		High Bid	Low Offer	Close	WTD Change \$	WTD Change %	YTD Change %				
Gold		\$1,237.25	\$1,212.00	\$1,232.50	(\$0.75)	-0.06%	-5.34%				
Silver		\$14.91	\$14.23	\$14.71	\$0.10	0.68%	-13.22%				
Options & Forwards		ATM Options Vols			Forward Swaps						
		1 month	3 months	6 months	1 month	3 months	6 months				
Gold		9.75%	10.00%	10.30%	2.35%	2.70%	2.70%				
Silver		16.60%	16.75%	17.30%	2.45%	2.80%	2.85%				
Gold Prices in Other Currencies		EUR	GBP	CNY	INR	TRY	ZAR				
Weekly Close		1,082.00	950.00	8,491.00	89,275.00	6,691.00	22,012.00				
WTD Change %		0.09%	-1.04%	-0.82%	-1.44%	-2.97%	-0.05%				
YTD Change %		-0.28%	-1.45%	0.20%	7.39%	35.58%	-4.68%				
Silver Prices in Other Currencies		EUR	GBP	CNY	INR	MXN	PEN				
Weekly Close		12.92	22.68	101.36	1,065.74	294.61	49.28				
WTD Change %		0.86%	-0.35%	-0.07%	-0.69%	4.19%	0.85%				
YTD Change %		-4.68%	-8.07%	35.58%	-9.57%	-11.52%	-10.17%				
Physical Premia		Dubai	Hong Kong	Istanbul	Mumbai	Singapore	Shanghai				
Gold Kg Bars Ask		\$0.25	\$1.50	\$0.50	(\$7.00)	\$1.20	\$7.00				
Investment & Trade Flows		ETF Holdings (fine ounces)			CME Open Interest (100 oz contract)						
		Weekly Close	WTD Change %	YTD Change %	Weekly Close	WTD Change %	YTD Change %				
Gold		53,877,795	0.73%	-2.85%	491,465	0.13%	4.20%				
Silver		629,918,446	-0.50%	0.19%	211,511	2.84%	9.13%				

FROM THE NEWSWIRES

Nov 2 (Reuters) - Gold slipped on Friday as the U.S. dollar regained some ground on the back of strong American jobs data, putting the metal on track for its first weekly loss in five weeks. Spot gold was down 0.2 per cent at \$1,231.22 per ounce by 13:34 p.m. EDT (1734 GMT). The bullion was down 0.1 per cent this week. The dollar index .DXY gained after data showed U.S. job growth rebounded sharply in October and wages recorded their largest annual gain in 9-1/2 years. "Strong data helped the dollar, which put some pressure on gold. The fact that the data is strong despite storm-related disruptions, suggests the economy is humming along strongly and that the Fed will continue to hike interest rates," said Tai Wong, head of metals trading at BMO. The U.S. Federal Reserve has raised interest rates three times this year and is widely expected to raise rates again in December. "Given the fact that we had a very strong rally yesterday, we are going to struggle towards the \$1,240-\$1,245 highs off this move unless we get a sustained downward movement on the dollar," Wong said. Gold jumped about 1.5 per cent in the previous session as the dollar retreated sharply from a 16-month high. Share on major world markets rallied on hopes that the United States and China were starting to repair their damaged trade relations. Attention is now turning to the U.S. congressional elections on Nov. 6, which will determine whether the Republican or Democratic Party controls Congress, with some predicting increased market volatility on the outcome. Holdings in SPDR Gold Trust GLD, the world's largest gold-backed exchange-traded fund, rose to their highest since late August on Thursday. Meanwhile, physical gold demand in India, the second biggest consumer, remained lacklustre this week, with dealers offering discounts for the metal ahead of a traditionally busy festival week for the first time in at least three years, as high prices kept consumers away. Among other precious metals, platinum climbed 1.3 per cent to \$868 per ounce, having touched its highest since June 25 at \$870.80 earlier in the session. The metal was up over 4 per cent for the week so far. Palladium rose 1.8 per cent to \$1,110 per ounce and silver was down 0.2 per cent at \$14.70 per ounce.

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MINDEX ANALYSIS AND OUTLOOK



Gold came under persistent selling pressure from the opening bell on Monday as global equity markets stabilised after the recent volatility and the USD staged a sustained rally with the .DXY hitting a 16 month high as a string of positive economic reports underlined the strength of the US economy. The yellow metal briefly penetrated the 100 day moving average, now set at \$1218, on Wednesday to reach a three week low of \$1212 only to snap back smartly 24 hours later with a 2% rally to reach a high point of \$1237.35 before easing into the close after robust USS jobs data to end another volatile week barely lower at \$1232.50 bid. Looking ahead all eyes will be on the US mid term congressional elections on Tuesday and the

latest FOMC meeting that starts on Wednesday with their decision being announced on Thursday evening. While the former event does have the potential to spring a surprise, which could impact gold, the latter is likely to result in no change in the Fed's benchmark interest rate although the associated post meeting statement will be watched closely for 'hawkish or dovish' emphasis. What does this mean for the gold price? We expect a further period of volatile sideways range trading bounded by support from the 100 day MA at \$1218 and a band of technical resistance between \$1235 and \$1245 before making the next major move.

As ever silver followed gold's directional signals with the industrial precious metal falling steadily to a low of \$14.23 by Wednesday only to stage a stunning reversal of fortune to post a savage 5% rally to a high of \$14.90 on Thursday before easing back to end up 10 cents or 0.68% at \$14.71 bid in the wake of the strong US employment numbers. Silver was also helped by the strength in the PGMS and Copper as the robust US economy pointed to future growth in industrial demand and, after a difficult 2018, the scene appears to be set for silver to have a strong end to the year with a clear break and close above the key technical and psychological important \$15 level likely to yield a further \$1 on the upside.



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