



PRECIOUS METALS WEEKLY REVIEW AND OUTLOOK

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Weekly Price Review For The Week Ending			24-Aug-18	Date			26-Aug-18
OTC Spot Market	High Bid	Low Offer	Close	WTD Change \$	WTD Change %	YTD Change %	
Gold	\$1,208.25	\$1,183.00	\$1,205.25	\$21.00	1.77%	-7.43%	
Silver	\$14.87	\$14.43	\$14.80	\$0.04	0.27%	-12.68%	
Options & Forwards	ATM Options Vols			Forward Swaps			
	1 month	3 months	6 months	1 month	3 months	6 months	
Gold	9.50%	9.39%	9.67%	2.15%	2.25%	2.40%	
Silver	16.00%	15.76%	16.10%	2.20%	2.30%	2.50%	
Gold Prices in Other Currencies	EUR	GBP	CNY	INR	TRY	ZAR	
Weekly Close	1,037.00	938.00	8,201.00	84,340.00	7,239.00	21,483.00	
WTD Change %	0.19%	1.08%	0.74%	1.60%	1.67%	1.62%	
YTD Change %	-4.42%	-2.70%	-3.22%	1.45%	46.69%	-6.97%	
Silver Prices in Other Currencies	EUR	GBP	CNY	INR	MXN	PEN	
Weekly Close	12.73	23.04	100.68	1,035.40	279.58	48.71	
WTD Change %	-1.32%	-0.43%	-0.77%	0.09%	0.27%	-0.22%	
YTD Change %	-6.97%	-8.69%	46.69%	-8.13%	-4.28%	1.56%	
Physical Premia	Dubai	Hong Kong	Istanbul	Mumbai	Singapore	Shanghai	
Gold Kg Bars Ask	\$1.00	\$1.40	n/a	\$1.25	\$1.50	\$8.00	
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	53,664,554	-0.39%	-3.24%	483,349	1.16%	2.48%	
Silver	630,352,988	0.00%	0.26%	237,928	0.10%	22.76%	

FROM THE NEWSWIRES

NEW YORK/LONDON, Aug 24 (Reuters) - Gold prices rose on Friday as the dollar came under pressure from clues about the direction of U.S. monetary policy from Federal Reserve Chairman Jerome Powell, which market watchers interpreted as dovish. The greenback weakened as Powell, speaking in Jackson Hole, Wyoming, said a gradual approach to raising rates remained appropriate to protect the U.S. economy and keep job growth as strong as possible with inflation under control. "It sounds like the Fed is starting to lean a little bit dovish and that is taking the wind out of the U.S. dollar's sail now," said Shree Kargutkar, portfolio manager at Sprott Asset Management. Spot gold had increased 1.8 per cent to \$1,206.14 an ounce by 1:43 p.m. EDT (1743 GMT), heading for a 1.9 per cent weekly gain. U.S. political uncertainty, heightened by the legal woes of two of U.S. President Donald Trump's former advisers this week, is keeping the dollar under pressure despite tighter U.S. monetary policy, analysts say. A weaker U.S. currency makes dollar-denominated gold cheaper for holders of other currencies, which could boost demand and prices. A Reuters survey published on Thursday showed analysts expecting U.S. rates to rise twice more this year and twice next year. The Fed next meets over Sept. 25-26. "Investor appetite for gold has been in the doldrums in recent months. Rate hikes, low inflation, rising equity markets and a strong dollar have significantly diminished the appeal of gold," ANZ analysts said in a note. "The fall in gold prices could invigorate a pick-up in physical demand. Overall we see gold prices stabilizing at current levels, with the probability of a short-covering rally increasing substantially. "Spot silver was up 2 per cent at \$14.76 an ounce, barely changed from last week's close. Platinum gained 1.9 per cent at \$789.50, closing the week nearly 1 per cent higher. Palladium rose 1.9 per cent at \$932.99 per ounce, earlier hitting \$939.25, its highest since July 26. It was more than 2 per cent higher than last week's close.

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MINDEX ANALYSIS AND OUTLOOK



In last week's report we suggested that the manner of gold's bounce off a 17 month low of \$1160.50 pointed to a further recovery towards the pivotal \$1200 level and this proved to be the case as the yellow metal rallied from a low of \$1183 in early trading on Monday to reach a high of \$1208.25 by Friday before ending the week up \$21 or 1.77% at \$1205,25 bid. The spike up through \$1200 was triggered by a combination of a deterioration of trade talks between the US and China, criticism of the Fed by President Trump, a perceived dovish speech by Fed Chairman Jerome Powell and a sharp fall in the .DXY. Looking ahead to next week we can expect gold to probe up towards

resistance pegged at \$1215 following a MACD crossover buy signal with a clear break targeting \$1235 given the record levels of speculative shorts on the COMEX.

Silver had a typically erratic trading week with the price rising to a high of \$14.87 on Wednesday, falling back to a low of \$14.43 on Thursday and then bouncing back to match the highs again on Friday before ending with a modest 4 cents or 0.27% gain at \$14.80 bid. After the recent savage sell-off that had seen silver fall to a 30 month low of \$14.35 the industrial precious metal will need a period of rehabilitation around the pivotal \$15 level before making an anticipated recovery that should target the 100 day moving average set at \$16.05.



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