



## PRECIOUS METALS WEEKLY REVIEW AND OUTLOOK

*Indications only | Closing prices are bids | data source Thomson Reuters Eikon | See disclaimer below*

Weekly Price Review For The Week Ending			26-Oct-18	Date			27-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	\$1,243.25	\$1,220.00	\$1,233.25	\$7.50	0.61%	-5.28%	
Silver	\$14.80	\$14.49	\$14.61	\$0.02	0.14%	-13.81%	
<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	10.60%	10.35%	10.65%	2.35%	2.70%	2.70%	
Silver	16.30%	16.30%	17.20%	2.45%	2.75%	2.85%	
<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	1,081.00	960.00	8,561.00	90,583.00	6,896.00	22,024.00	
WTD Change %	1.60%	2.35%	0.79%	0.71%	-0.29%	0.54%	
YTD Change %	-0.37%	-0.41%	1.03%	8.96%	39.74%	-4.62%	
<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	12.81	22.76	101.43	1,073.18	282.76	48.86	
WTD Change %	1.09%	1.97%	0.31%	0.23%	0.62%	0.56%	
YTD Change %	-4.62%	-8.01%	39.74%	-9.25%	-15.08%	-10.93%	
<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	53,487,474	0.12%	-3.56%	490,811	3.79%	4.06%	
Silver	633,092,991	-0.68%	0.70%	205,665	3.32%	6.11%	

### FROM THE NEWSWIRES

Oct 26 (Reuters) - Gold rose on Friday to a more than three-month peak as investors rushed to the safety of bullion as stock markets around the globe plunged, putting the metal on track for its fourth week of gains. Spot gold rose 0.2 per cent to \$1,234.35 an ounce at 14:10 p.m. EDT (1810 GMT), having earlier gained nearly 1 per cent to \$1,243.32, it's highest since mid-July. Stocks worldwide spiralled downward on Friday and were set to post their worst weekly losing streak in more than five years. "With the extreme slide in stocks, gold became a temporary safe haven. But event driven rallies don't last long and the metal pared gains as stocks gave up some losses," said George Gero, managing director at RBC Wealth Management. "Bonds have also become safe haven with stocks getting sold-off. The dollar is still pretty high, which is a headwind for gold as it makes the metal expensive in major consumers like India," Gero said, adding that interest rate increases by the U.S. Federal Reserve will be a another challenge for gold. Gold demand in India this week was muted as a recent rally in domestic prices prompted buyers to postpone purchases despite the approaching festival and wedding season. Gold prices are up more than 6 per cent after falling to \$1,159.96 an ounce in mid-August, the lowest since January 2017. Investor flows into bullion, considered a safe store of value during times of financial, economic and geopolitical uncertainty, can be seen by the rise in holdings of physically-backed exchange traded products. Holdings in the world's largest gold-backed exchange-traded fund, SPDR Gold Trust GLD, saw outflows of about 4.5 million ounces between late April and early October. But holdings are now at their highest since the end of August, at 24.1 million ounces. Among other precious metals, palladium was up 0.5 per cent at \$1,105.22 an ounce, after reaching a record high of \$1,150.50 an ounce earlier this week. Silver was up 0.1 per cent at \$14.63 per ounce, and platinum 1.2 per cent higher at \$832.50 an ounce.

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## MINDEX ANALYSIS AND OUTLOOK



Gold started the week on the back foot as global equity markets staged a recovery after the recent carnage with the price falling to an early low of \$1220.00, however the respite for 'risk on' asset classes was short lived with share prices around the world spiralling lower driving investors into the usual safe havens of US bonds, Yen and gold. The latter hit a high point of \$1243.25 on Friday despite a steady USD before easing back to end an erratically volatile week up \$7.50 or 0.61% at \$1233.25 bid, its fourth consecutive weekly gain and the best winning streak since January. The clear break and close above the 100

day moving average, now pegged at \$1221.00 was technically positive and sets gold on course for a strong final quarter despite the strength of the dollar and the prospect of further interest rate increases by the Fed. Chart watchers will now have the 200-day MA located at \$1272 in their sights but the bulls will be wary of the latest US jobs data due out next Friday.

Silver had a volatile start to the week with the price falling to an early low of \$14.49 on Monday only to bounce back by more than 2% to it's high for the week of \$14.80 just twenty four hours later before stabilising to end barely higher at \$14.61 bid. Looking ahead to the coming week we once again expect silver to track gold's direction and given the fact that we expect gold to stage an extended rally into the year end we are looking for silver to finally penetrate stubborn resistance at \$14.85 to make a pass at the 100 day MA set at \$15.10 with a clear break targeting the 200 day MA located at \$15.84.



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