

PRECIOUS METALS WEEKLY REVIEW AND OUTLOOK

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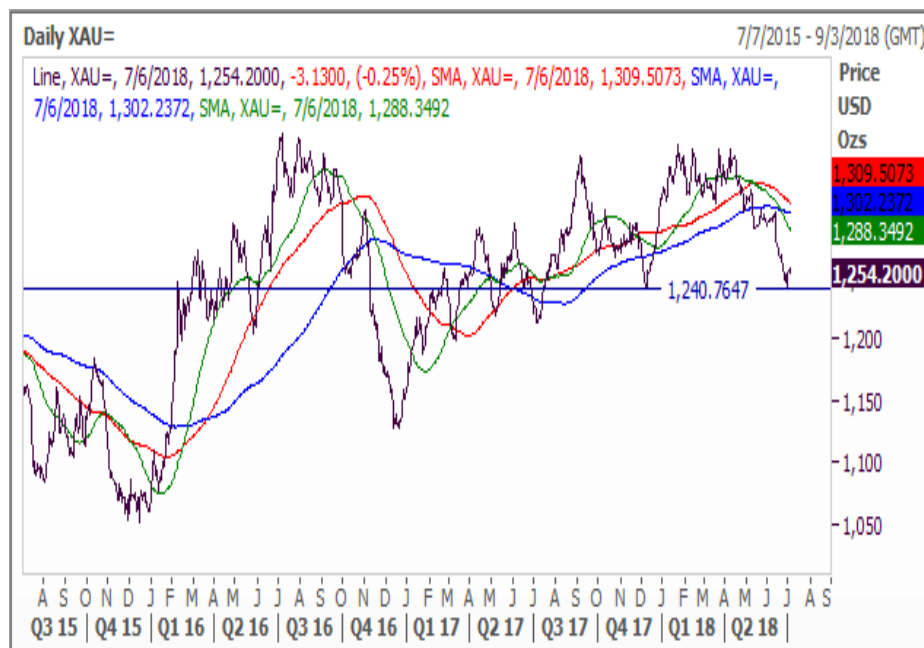
Weekly Price Review For The Week Ending			Date			
06-Jul-18			07-Jul-18			
OTC Spot Market	High Bid	Low Offer	Close	WTD Change \$	WTD Change %	YTD Change %
Gold	\$1,261.00	\$1,237.75	\$1,254.00	\$1.50	0.12%	-3.69%
Silver	\$16.14	\$15.75	\$16.00	(\$0.08)	-0.50%	-5.60%
Options & Forwards	ATM Options Vols			Forward Swaps		
	1 month	3 months	6 months	1 month	3 months	6 months
Gold	8.90%	9.48%	9.92%	2.20%	2.25%	2.45%
Silver	14.83%	15.80%	16.47%	2.30%	2.35%	2.55%
Gold Prices in Other Currencies	EUR	GBP	CNY	INR	TRY	ZAR
Weekly Close	1,067.00	943.00	8,327.00	86,289.00	5,728.00	22,375.00
WTD Change %	-0.37%	-0.53%	0.49%	0.67%	-0.26%	0.16%
YTD Change %	-1.66%	-2.18%	-1.73%	3.79%	16.07%	-3.10%
Silver Prices in Other Currencies	EUR	GBP	CNY	INR	MXN	PEN
Weekly Close	13.67	24.06	106.23	1,100.80	304.25	52.48
WTD Change %	-0.65%	-1.14%	-0.16%	0.01%	-4.96%	-0.50%
YTD Change %	-3.10%	-3.65%	16.07%	-4.07%	1.77%	3.03%
Physical Premia	Dubai	Hong Kong	Istanbul	Mumbai	Singapore	Shanghai
Gold Kg Bars Ask	\$0.50	\$1.20	\$0.50	\$1.00	\$1.00	\$6.00
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	55,305,274	-1.23%	-0.28%	500,867	4.74%	6.19%
Silver	633,960,018	0.28%	0.84%	204,460	-2.40%	5.49%

FROM THE NEWSWIRES

NEW YORK/LONDON, July 6 (Reuters) - Gold fell on Friday, but bounced off session lows as the dollar weakened and equities rose, yet bullion was on track for a small weekly gain amid escalating U.S.-Sino trade tensions. The dollar fell after data showed the U.S. unemployment rate increased and wages grew less than forecast in June even as the economy created more jobs than expected. Wage growth is a closely watched signal of potential inflation that could prompt more interest rate hikes by the Federal Reserve. A weak dollar tends to lift gold, making the greenback-priced metal cheaper for non-U.S. investors. U.S. tariffs on \$34 billion worth of Chinese goods took effect on Friday, while China's commerce ministry retaliated with 25 per cent tariffs on \$34 billion worth of U.S. imports. The markets absorbed imposition of the tariffs calmly, with stocks edging higher. Rising stock markets pressure gold prices by reducing safe-haven demand for the precious metal. Spot gold was down 0.2 per cent at \$1,254.45 by 1:35 p.m. EDT (1735 GMT), off the session low of \$1,252.15 and headed for its first weekly gain in four weeks. U.S. gold futures GCcv1 for August delivery settled down \$3, or 0.2 per cent, at \$1,255.80 per ounce". On Thursday, minutes of the Federal Reserve's June 12-13 policy meeting showed that U.S. central bankers expressed concerns global trade tensions could hit an economy perceived as strong. India's gold imports fell for a sixth month in June to 44 tonnes, provisional industry data showed. Gold-backed exchange-traded funds (ETFs) saw outflows in North America and Asia, but saw inflows in Europe during June, the World Gold Council said. Silver gained 0.2 per cent at \$16.01 an ounce, and platinum fell 0.1 per cent to \$841.24, both heading for a 0.3 per cent weekly drop. Palladium slipped 0.2 per cent at \$949.95 an ounce, on track for a 0.1 per cent weekly drop. All three metals were headed for their fourth straight weekly decline.

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AURUM ANALYSIS AND OUTLOOK



Gold came under sustained technical and momentum selling from the opening bell on Monday with the price slumping to a seven month low of \$1237.75 by Tuesday only to stage an abrupt about turn to reach \$1261 twenty four hours later in ultra thin markets on US Independence Day before stabilising to end the week with a modest \$1.50 or 0.12% gain at \$1254.00 bid. The late recovery snapped a three week losing streak that had seen the yellow metal lose \$72 or 5.50% leaving the market in oversold territory on the charts with the 30 day RSI at 30% and vulnerable to a short covering rally. Having hit the anticipated summer target on the charts of \$1240 gold now looks well set for a sustained recovery towards the pivotal \$1300 level amid an escalation in the Trade War

between the US and China, a downside reversal in the USD after the .DXY stalled at a double top above 95, an inversion of the US yield curve with 10 year falling below 2 year Treasuries, and a probable MACD technical buy signal crossover in the week ahead.

Silver has tracked gold lower over the last three weeks and the industrial precious metal plunged down through the key technical and psychological \$16 level on Tuesday to also reach a seven month low of \$15.75 followed by a sharp bounce to the week's high of \$16.14 on Wednesday before ending the week with a pared 8 cents or 0.50% loss at \$16.00. Despite the 9% decline in price since mid June investors have 'kept the faith in silver' with over five million ounces of ETF inflows based on the positive industrial demand impact of the growth in the solar energy sector. With gold seemingly set for a recovery we could well see the silver price rally towards the 100 day moving average pegged at \$16.47 and the 200 day MA at \$16.63 with a major breakout to the upside still on the cards in the last half of 2018 which could target \$18.50 on the charts.



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