

Monday, May 21, 2018

PRECIOUS METALS REPORT

MARKET COMMENT

A solid performance in the equity markets today after Treasury Secretary Mnuchin said on Sunday that the U.S. was “putting the trade war on hold” amid progress in talks with China, as both countries hammer out details of a deal to reduce the trade deficit. At the conclusion of these negotiations, it was reported that Beijing had agreed to buy larger amounts of American goods to help cut the deficit.

The USD strengthened across the board on this positive story on Chinese trade negotiations and resulted in lower Gold. PGM's on the other hand turned in a solid performance, the buying appears to have been technical in nature and as some shorts were squeezed ahead of 900 in July PT and PD appears to be eyeing 1003 in June. Silver continues to disappoint, worth noting there are 268 million toz in Comex stocks right now the highest since 1992.

Also today, US Secretary of State Pompeo promised the strongest sanction in history on Iran if they did not meet US demands of a complete end to Iran's enrichment of uranium, a “full and public accounting” to the UN of its past experimentation and research on nuclear weapons technology. As if this wasn't enough to stir things up he also included the release of US prisoners held without charges and the end to Iran's support for such organizations as Hamas and Hezbollah. Unlikely these demands will be met in any form so where do we go from here??

TRADING RANGE (COMEX/NYMEX Far East and early European ranges)

	Gold	Silver	Platinum	Palladium	Euro/USD
Open	1290.30	16.430	887.30	958.50	1.1763
Low	1281.20	16.280	877.80	958.40	1.1717
High	1291.40	16.535	889.00	970.20	1.1768

LONDON BENCHMARKS / ECB-EXCHANGE RATE

	Gold	Silver	Platinum	Palladium	Euro/USD
AM	1285.85	16.340	880	972	1.1759
PM	1288.35		885	978	

TRADING RANGE (COMEX/NYMEX)

	Gold	Silver	Platinum	Palladium	Euro/USD
Low	1281.20	16.280	877.80	958.40	1.1717
High	1291.70	16.535	902.80	991.20	1.1781
Close	1290.90	16.520	899.80	990.40	1.1770

SUPPORT / RESISTANCE (USD/toz)

	Gold	Silver	Platinum	Palladium	Euro/USD
Support	1285	16.36	896	982	1.1670
Resistance	1294	16.64	912	1004	1.1820

MINOR PGM METALS

<u>Rh</u>	<u>2190-2230</u>	<u>Ir</u>	<u>1300-1340</u>	<u>Ru</u>	<u>215-255</u>
-----------	------------------	-----------	------------------	-----------	----------------

U.S. ECONOMIC CALENDAR

	<u>Survey</u>	<u>Prior</u>
New Home Sales May 23	+679K	+694K
FOMC minutes May 23	0.6%	0.5%

For any comment, question or other inquiry please call us:

South Plainfield (US) +1 908 222 + (extension)

Stephan Marczinkowski (5001), Tom O'Keeffe (5002), David Lee (5003), Rosanne Rapier (5004)

Hanau (DE) +49 6181 59 + (extension)

Paola Castellano-Weisser (6294), Oliver Stoeher (6291), Stephan Henkel (6292),
Sascha Hasenmaier (6297)

This document is intended solely for professional participants of the precious metals markets. It is not designed for private individuals. This document is not and should not be construed as an offer to sell, or a solicitation of an offer to purchase or subscribe to, any investment. This document is based on information that Umicore Precious Metals New Jersey, LLC and Umicore AG + Co. KG Hanau Precious Metals Management (“Umicore”) has obtained from sources that it believes to be reliable, but Umicore has not independently verified such information. Accordingly, Umicore makes no guarantee, representation, or warranty as to its accuracy or completeness. Expressions of opinion are those of Umicore and may change without notice. Neither Umicore nor any of Umicore's affiliates assumes any liability for any loss or damage, whether direct or indirect, that you may incur as a result of the use of or reliance on the information or opinions provided herein. If you are considering a purchase or sale of precious metals from or to Umicore, please contact one of our account representatives for the current price and information about our terms and conditions of sale.

