

PRECIOUS METALS REPORT

MARKET COMMENT

Waiting for Capitulation

US economy slowed in Q1 though not as much as previously anticipated. GDP rose 0.8% compared to the previously reported 0.5%, with strength in home building and business inventories. University of Michigan consumer sentiment index was 94.7 in May compared to 89 in April.

Platinum and palladium turned early morning gains (trading over \$1000 and \$550) into 1.8% and 1.7% loss by afternoon. Gold and silver are down close to 1% each after Fed Chair Yellen said in a speech that rate hikes are "appropriate" in the coming months if data improves. This should not come as a shock to anyone that's been following the news. Traders who bought into the dead cat bounce are now getting out of their position ahead of the long weekend.

We would expect selling pressure to persist next week with gold testing \$1200 and silver \$16. If employment data for May is really strong next Friday, expect metals to sell off violently as a rate hike in June will be fully priced into the market.

Have a wonderful weekend!

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

	Gold	Silver	Platinum	Palladium	Euro/USD
Open	1220.30	16.335	995.00	546.40	1.1192
Low	1211.20	16.140	987.50	538.85	1.1170
High	1223.20	16.395	1000.40	548.30	1.1200

LONDON BENCHMARKS / ECB-EXCHANGE RATE

	Gold	Silver	Platinum	Palladium	Euro/USD
AM	1221.25	16.30	993.00	543.00	1.1168
PM	1216.25		984.00	546.00	

TRADING RANGE (COMEX/NYMEX)

	Gold	Silver	Platinum	Palladium	Euro/USD
Low	1209.00	16.140	976.50	533.95	1.1107
High	1225.80	16.395	1000.40	552.95	1.1200
Close	1213.80	16.269	982.20	539.60	1.1192

SUPPORT / RESISTANCE (USD/toz)

	Gold	Silver	Platinum	Palladium	Euro/USD
Support	1200	16.00	975	500	1.1100
Resistance	1250	16.50	1000	560	1.1300

MINOR PGM METALS

Rh	625-700	Ir	450-525	Ru	32-42
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U.S. ECONOMIC CALENDAR (May 31, 2016)

Personal Income/Consumption

Shiller Home Price Index

Chicago PMI

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