

PRECIOUS METALS REPORT

MARKET COMMENT

Jackson Hole Wrap Up

Fed Chair Yellen signaled in her much anticipated speech that interest rate hike could be coming this year as she voiced optimism about the economy and labor market. Yellen said, "in light of the continued solid performance of the labor market and our outlook for economic activity and inflation, I believe the case for an increase in the federal funds rate has strengthened in recent months". Metals immediately sold off on that news as traders interpreted Yellen's remark as a possible Sept rate hike. After the initial algorithmic trading took place, traders started to digest what Yellen actually meant, and many believed that her speech does not signal immediate rate hike but very gradual rate hike over a period of time. Metals rocked to new highs as shorts got stopped out of their positions sending gold towards \$1350, silver above \$19, platinum near \$1100, and palladium above \$700. However, that rally was short lived as Vice Chair Stanley Fischer said in his interview that the Aug employment report would figure into the decision to hike interest rate. Metals sold off as a string of good employment data in recent months would lead to a Sept rate hike.

After all the trading and positioning today, all the metals are about unchanged. Traders are left scratching their heads as we now wait for the Aug employment date.

Have a wonderful weekend!

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

	Gold	Silver	Platinum	Palladium	Euro/USD
Open	1324.80	18.490	1078.10	691.00	1.1281
Low	1323.70	18.470	1076.10	690.40	1.1275
High	1328.60	18.640	1085.50	698.00	1.1307

LONDON BENCHMARKS / ECB-EXCHANGE RATE

	Gold	Silver	Platinum	Palladium	Euro/USD
AM	1324.90	18.67	1082.00	693.00	1.1290
PM	1318.75		1077.00	690.00	

TRADING RANGE (COMEX/NYMEX)

	Gold	Silver	Platinum	Palladium	Euro/USD
Low	1321.20	18.470	1060.30	683.20	1.1198
High	1346.00	19.035	1094.00	704.00	1.1340
Close	1325.90	18.651	1077.70	693.75	1.1279

SUPPORT / RESISTANCE (USD/toz)

	Gold	Silver	Platinum	Palladium	Euro/USD
Support	1300	18.25	1075	675	1.1100
Resistance	1400	19.50	1150	725	1.1350

MINOR PGM METALS

Rh	615-655	Ir	575-675	Ru	32-42
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U.S. ECONOMIC CALENDAR (August 29, 2016)

Personal income/spending/consumption (Jul)

Core PCE price index (Jul)

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