



HD (CM) World spot metal prices on Asian markets: precious metals up

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Sydney - Tuesday - October 28: (RWE Australian Business News) - World precious metals against spot selling prices on Asian markets.

Precious metals were firmer this after **gold** ends slightly lower; focus turns to FOMC, reports Kitco news.

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In Asia, **gold** rose \$3.70 to \$1220.80 oz, while silver added 3c to \$17.24 oz and platinum gained \$2.00 to \$12591 oz while palladium improved \$1.00 to \$788.00 oz

Asian stocks fell, with the regional index retreating from a two-week high before the Federal Reserve meets on whether to end its bond-buying program. The dollar held losses versus major peers while crude **oil** extended its drop.

The MSCI Asia Pacific Index lost 0.2 percent by 9:53 a.m. in Tokyo, falling from its highest close since Oct. 9 as Australia's S&P/ASX 200 Index slipped 0.5 percent. Standard & Poor's 500 Index futures were little changed after the gauge's 0.2 percent decline.

The Bloomberg Dollar Spot Index was steady after dropping 0.2 percent yesterday amid losses against the euro and yen. Australian 10-year **bonds** climbed. **Oil** in New York and London fell for a third day before a U.S. supplies report.

China posts industrial-**company** profit data today, while in the U.S., durable goods and consumer confidence figures are due, with Fed officials on track to announce the end of the bank's stimulatory asset purchases tomorrow.

The Bank of Japan may moderate its language on inflation in a report this week amid the slump in **oil** prices, said people familiar with the deliberations, asking not to be named as the talks were private.

By contrast global metal prices quoted in New York and London at week's end were:

COMMODITIES ...Commodities slumped to a five-year low led by gasoline and agriculture products grown in Brazil on speculation a slump in the country's currency will fuel exports. The Bloomberg Commodity Index dropped 0.6 percent at 1:56 p.m. in London after falling to the lowest since July 2009. Raw sugar futures fell 1.6 percent and soybeans dropped 0.4 percent. Brazil is the biggest exporter of both commodities.

COMEX METALS... spot **gold** is presently \$1,1228.59 oz. The Oct futures contract fell \$2.50 to \$1,229.10 oz. Dec contract lost \$2.50 to \$1229.30 oz, Dec silver eased \$0.02 to \$17.161 oz. Oct platinum regained \$3.80 to \$1255.20 oz while Dec **copper** rose \$2.30 to 306.30c lb in NY.

ANZ COMMODITIES ...(Oct28) Bulk markets were mixed. **Iron ore** prices fell 1.2% to USD79.50/tonne, despite **Chinese** January 2015 rebar futures firming over 1%. Southern hemisphere thermal **coal** prices

were stable, but the outlook in **China**'s domestic market is looking more promising. **Chinese** power plants have increased purchases on cooler weather in northern **China** and the risk that domestic producers will raise prices. Policy to curb **China**'s domestic **coal** supply may **lead** to shortages ahead of year end, with some expecting November prices to rise by as much as USD4.90/tonne.

Metal markets were also mixed, with **copper** and aluminium the two key markets to rise. **Copper** prices were supported by news of planned strike action in Peru's largest **copper** mine and rumours **China**'s State Reserve Board has resumed buying **copper**. Workers at Peru's Antamina plan to strike indefinitely from 10th November, halting total output of around 30,000 tonnes per month.

Agricultural markets were mixed, with sugar lower but corn and soybean prices higher. A weaker Brazilian real is dragging sugar prices lower. Soybean prices are up by 6% in the last week as dry weather and the optimal planting time in Brazil's Mato Grosso passes.

OIL...Nov contract eased \$0.01 to \$81.00 barrel, with a high of \$81.29 and a low of \$79.44 bsrrel. The Dec contract fell \$0.10 to \$80.70 barrel with a high of \$80.98 and low of \$79.20 barrel. Brent Oct ICE shed \$0.70 to \$85.43 barrel with a high of \$86.25 and low of \$84.55 barrel. Tapis price rose \$0.10 to \$88.82 barrel in Singapore/Malaysia.

Crude **oil** markets fell modestly, as the market continues to see a build in US commercial crude **oil** stocks. Another rise this week in US crude **oil** stocks would follow two weeks of already large gains. Pre-polling suggests the market is positioned for a fall in US distillate stocks, as improving seasonal demand helps to drawdown product inventory.

Hedge funds pared back their biggest bullish coffee bet since 2008 as rains brought relief to drought-stricken growing areas in Brazil, the world's biggest producer and exporter. Money managers cut their net-long position in arabica coffee for the first time in four weeks. Futures in New York fell 9.1pc last week, the most since May.

The AUSTRALIAN DOLLAR is changing hands at US88.23 compared with US88.01 previously. Offshore the Aussie posted a high of US88.24 and a low of US87.95 Against the yen it is at 95.10 (pre 94.92) and euro 69.39 (pre 69.52) and British pence 54.46(pre 54.62)

US DOLLAR...is changing hands at 107.80 (pre 107.85). On the euro it is \$US1.2714 (pre 1.2697) against sterling it is \$US1.6129(pre 1.6117) and against the Swiss franc 1.0542(pre 1.0530)

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