

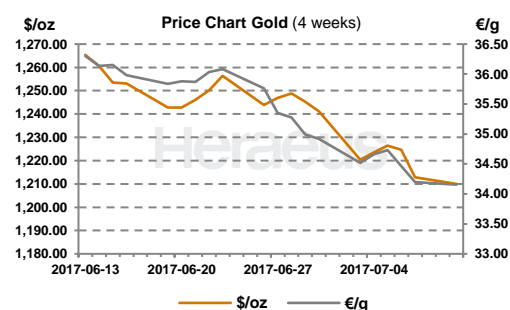
PRECIOUS METAL update

03 July - 09 July 2017

	Au	\$/oz	€/oz	€/g	Date	ETF oz (abs.)	ETF (rel.)
GOLD	High	1,243.15	1,088.48	35.00	10 July 2017	54,588,123	-1.20%
	Low	1,207.15	1,059.32	34.06	3 July 2017	55,253,364	

Gold hits March low

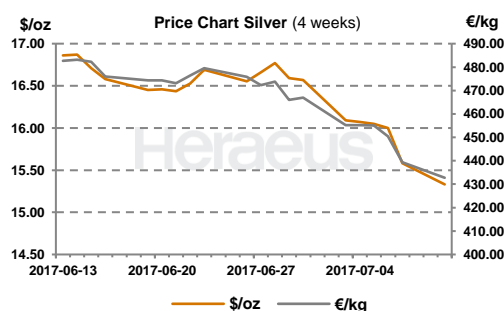
With a 1.8% loss at the beginning of the trading week, gold recorded its largest daily loss since November 2016, dropping temporarily to a 7-week low of \$1,218/oz. This caused the 200-day average of \$1,233/oz. to be breached, consequently increasing physical demand significantly. The latest data of the Commodity Futures Trading Commission (CFTC) support a reduction in net long positions on the COMEX, where a multi-week low of currently 93,799 contracts was recorded. The reasons for this were a slight recovery of the US dollar and increasing 10-year US Treasury yields. Following North Korea's launch of yet another intercontinental ballistic missile into Japanese waters on America's Independence Day, the price of gold recovered somewhat. The planned introduction of the Goods and Services Tax (GST) in India has been detailed in previous reporting weeks. According to the latest figures from research firm Thomson Reuters, the GST has caused India's gold imports to increase by 153% compared to the previous year in the first five months since its introduction. Experts assume that at least one third of the demand for wedding jewelry – usually highest in the fourth quarter – constitutes advance purchases. After publication of the Fed minutes (FOMC) of the meeting held on June 13/14, there is disagreement with respect to inflation expectations and the balance sheet reduction in the US, causing the price of gold to drop to a temporary low for the week of \$1,217/oz. Favorable US labor market figures on Friday forced the price of the metal down to \$1,213/oz. (intra-day and week low at \$1,208/oz). Gold managed to gain 8% overall in the first half of the year, mainly due to a strong first quarter. Now with the 200-DMA been breached, we see support at the psychological barrier of \$1,200/oz. ahead of \$1,195/oz. (March low). Resistances could be found at \$1,229/oz. (200-DMA and 23.6% Fibonacci retracement). On July 13, Fed's Yellen will deliver a second day of testimony on the U.S. central bank's semiannual report on monetary policy and the economy.



	Ag	\$/oz	€/oz	€/kg	Date	ETF oz (abs.)	ETF (rel.)
SILVER	High	16.72	14.65	471.13	10 July 2017	645,583,162	0.43%
	Low	14.86	13.01	418.28	3 July 2017	642,827,747	

Silver after flash crash on year low

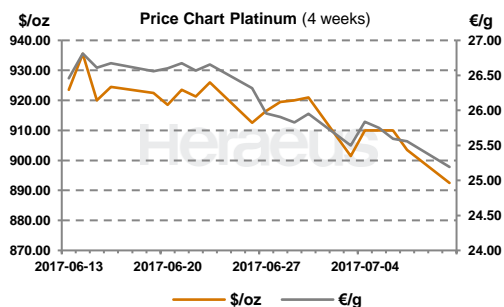
Following reports of a gold "flash crash" in the past reporting week, prices plunged yet again Thursday night, temporarily raising fears among silver investors. Just after midnight, the price of silver dropped over 7% to a 15-month low of \$14.86/oz. as a result of another "fat finger" error before a rapid recovery began and silver closed the week at \$15.66/oz (minus 6% compared to the Monday opening of \$16.65/oz.). In the middle of the trading week, silver already fell below the psychological barrier of \$16/oz. Similar to gold, net long positions in the silver futures market have now declined for the third week in a row. With 26,275 net contracts, these are at their lowest level since January 12, 2016. Gold-silver ratio currently stands at 79 (lowest level since April 2016). Generally speaking, silver still seems to be "oversold" compared to gold. We expect technical support at \$15/oz. and resistance at \$15.92/oz. (23.6% Fibonacci retracement) for the coming trading week.



	Pt	\$/oz	€/oz	€/g	Date	ETF oz (abs.)	ETF (rel.)
PLATINUM	High	937.50	820.71	26.39	10 July 2017	2,216,369	0.05%
	Low	896.25	786.35	25.28	3 July 2017	2,215,217	

Platinum with downward trend

Platinum opened the reporting week at \$931/oz. to move sideways or lower throughout the week. At the end of the week, platinum closed at \$913/oz. Last week, there was a particular focus on demand for platinum and palladium jewelry in China. It is worth noting that Chinese production of jewelry has fallen for the third year in a row (down 17% compared to the previous year) while demand has therefore also decreased by 13%. The sluggish growth of the Chinese economy compared to the outlook forecast in the last two years was the main factor to impact the jewelry industry, among others. However, things look quite different on the European automotive market, one of the main drivers of platinum prices. Vehicle registration is once again on the rise. This year, a 5% increase in new vehicle registrations was recorded by May, which will boost the price of platinum somewhat. Just how the discussions surrounding the diesel ban in major cities will develop remains to be seen. In the meantime, we continue to assume that news from the European automotive industry in particular will have the greatest impact on the price of platinum.

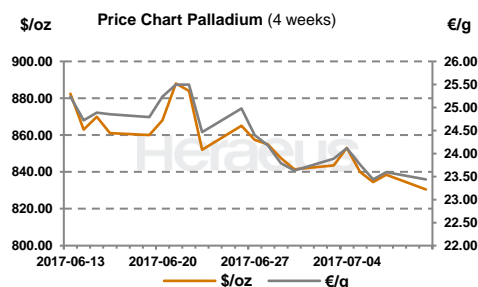


	Pd	\$/oz	€/oz	€/g	Date	ETF oz (abs.)	ETF (rel.)
PALLADIUM	High	867.30	763.00	24.53	10 July 2017	1,377,357	-0.38%
	Low	825.47	724.00	23.28	3 July 2017	1,382,590	

Disappointing week for palladium

The price of palladium was also in a downward trend last week. Palladium opened at \$847/oz. and, in a development similar to that of platinum, gradually lost value to close at \$843/oz. on Friday. NYMEX Palladium Future Margins increased by 20.5% for the fourth week in a row, driven once again by price volatility. At the same time, the liquidity situation in palladium has improved overall, resulting in a slight decrease in the yield curve.

In a development similar to that of platinum jewelry manufacturing in China, the production of palladium jewelry in China fell by 77% last year to only 12,000 ounces. The US automotive industry, which plays a significant role in the development of the price of palladium, was once again disappointing due to weak sales volumes. Accordingly, sales have now fallen for the sixth consecutive month. Analysts assume that the situation on the automotive market could even drop to levels seen during the financial crisis in 2009. It remains to be seen how the second half of the year will be for the US automotive industry and what impact this will have on the price of palladium.



RHODIUM, RUTHENIUM, IRIDIUM		Rhodium (\$/oz)	Ruthenium (\$/oz)	Iridium (\$/oz)
	Bid	990	60	930
Ask	1,090	70	1,030	

Rhodium remains at a high level; Quiet Ruthenium market; Iridium buying interest still persists

Rhodium remained remarkably stable over the entire week and continues to trade at a high level. Compared to platinum and palladium, rhodium is currently extremely robust. At present, support is coming from the investment side as well as from physical purchases from industry. The price is currently supported by a deteriorated liquidity situation which is also reflected in rising financing rates. Looking ahead, we expect no major change in the overall situation and thus continued stable prices.

The ruthenium front remains quiet, and there is little to report on factors influencing the market or the price.

Sustained interest in buying iridium and the continuing limited supply are causing a slow but steady increase in price. Should there be no change in the general picture, it is quite possible that we will see prices like those last seen in 2012 and 2013. Since the all-time high of \$1,100/oz. is not far off, it would certainly be reasonable to assume that this is quite achievable in the foreseeable future.

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