



QUARTERLY MARKET UPDATE

30 June 2023

"Predicting rain doesn't count: building arks does"

Noah's Rule Scoring

- 6 elements
- Each element scored between -1 and +1
- Summed together for score between -6 and 6
- Score represents an indication of trend
- Scores at extremes indicate possible extension

Objective, non-emotional lens in decision-making process

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This time last quarter

- **USD working hard to stand still. Uptrend strength lost. DXY now reversed to modest negative Weekly Score (WS)**
 - EUR main winner against USD but only modestly. Yen continues to struggle
 - AUD / NZD / CAD / ZAR / BRL mostly lower all still in –ve Weekly Score
- **Precious metals built strongly on previous advance**
 - AUD & USD gold both strong scoring pairs. Both prices above rising 200 dma & 200 wma
- **Base/Bulks mixed.** Cu and Fe solid base building. Ni and Zn struggling for support
- **Energy mixed.** Coal holding/neutral. Fuels well off into negative WS
- **Commodity, commodity currency and equity market sentiment remains tepid with exception of precious**
- **Commodity prices not matching either the “Green Future” or “Inflation” narratives**
 - GSCI falling and back to –ve WS (largely influenced by Oil)
 - GSCI vs. Equities dropped back and into –ve WS – general Equities outperforming!



Now

- **USD still spinning its wheels and appearing to lose traction. Uptrend strength lost. DXY continues with –ve/indecisive Weekly Score (WS)**
 - EUR still main winner but range bound. Yen continues to falter
 - AUD / NZD / CAD / ZAR / BRL becoming mixed/diverging.
- **Precious metals retracing/consolidating. Down Q2 but up H1**
 - AUD & USD gold both have retracement scoring pairs.
 - Both prices above rising and record-breaking 200 dma & 200 wma price levels
- **Base/Bulks struggling.** Cu, Fe, Ni and Zn all much weaker.
- **Energy mixed.** Coal and Fuels down on Qtr and Half. Some sign of basing SGO.
- **Commodity, commodity currency and equity market sentiment remains tepid but some currencies finding bid (CAD/BRL).**
- **Commodity prices still not matching either the “Green Future” or “Inflation” narratives**
 - GSCI falling further towards deep support.
 - GSCI vs. Equities dropped further back into –ve WS – general Equities still outperforming!

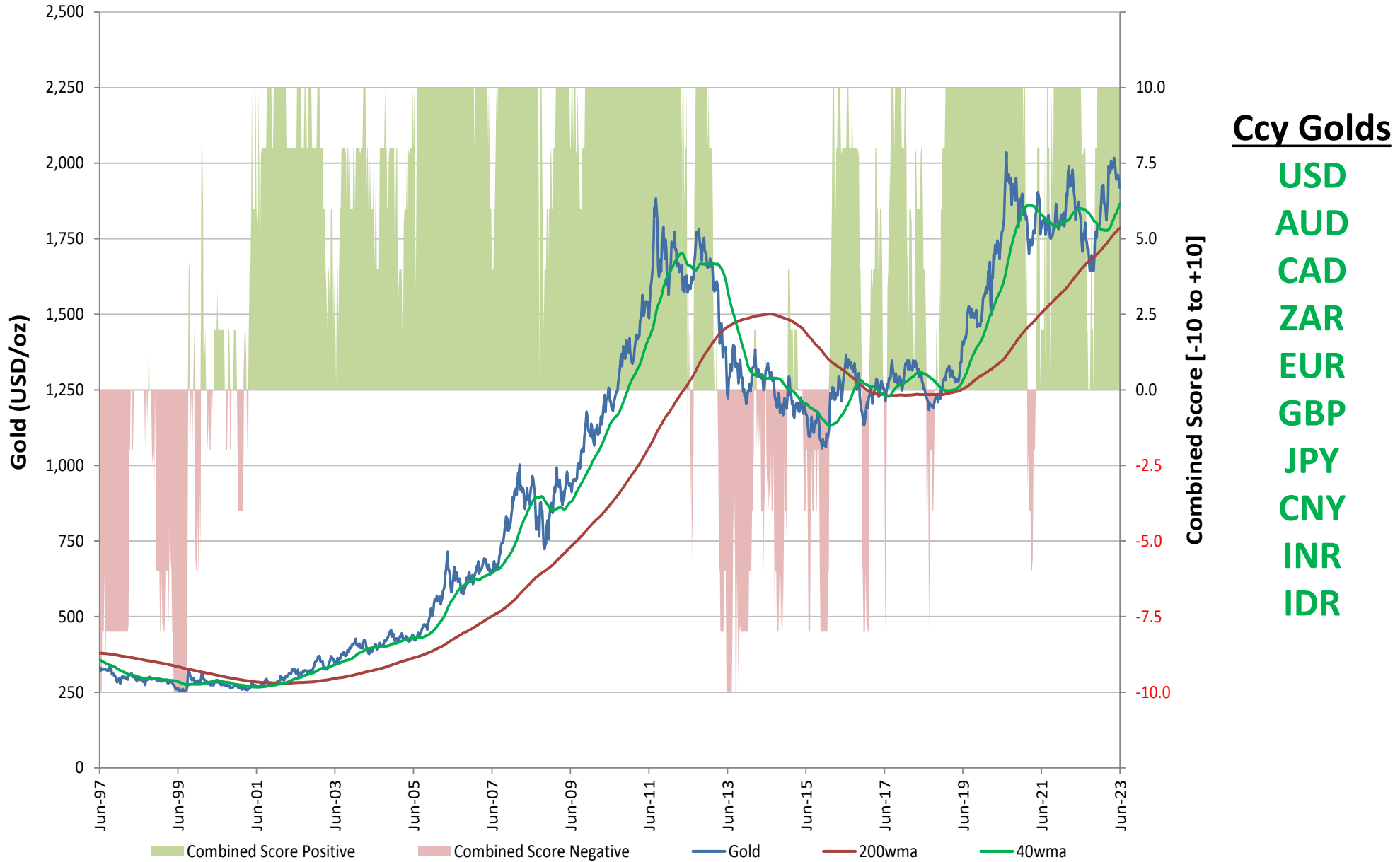


Market Summary

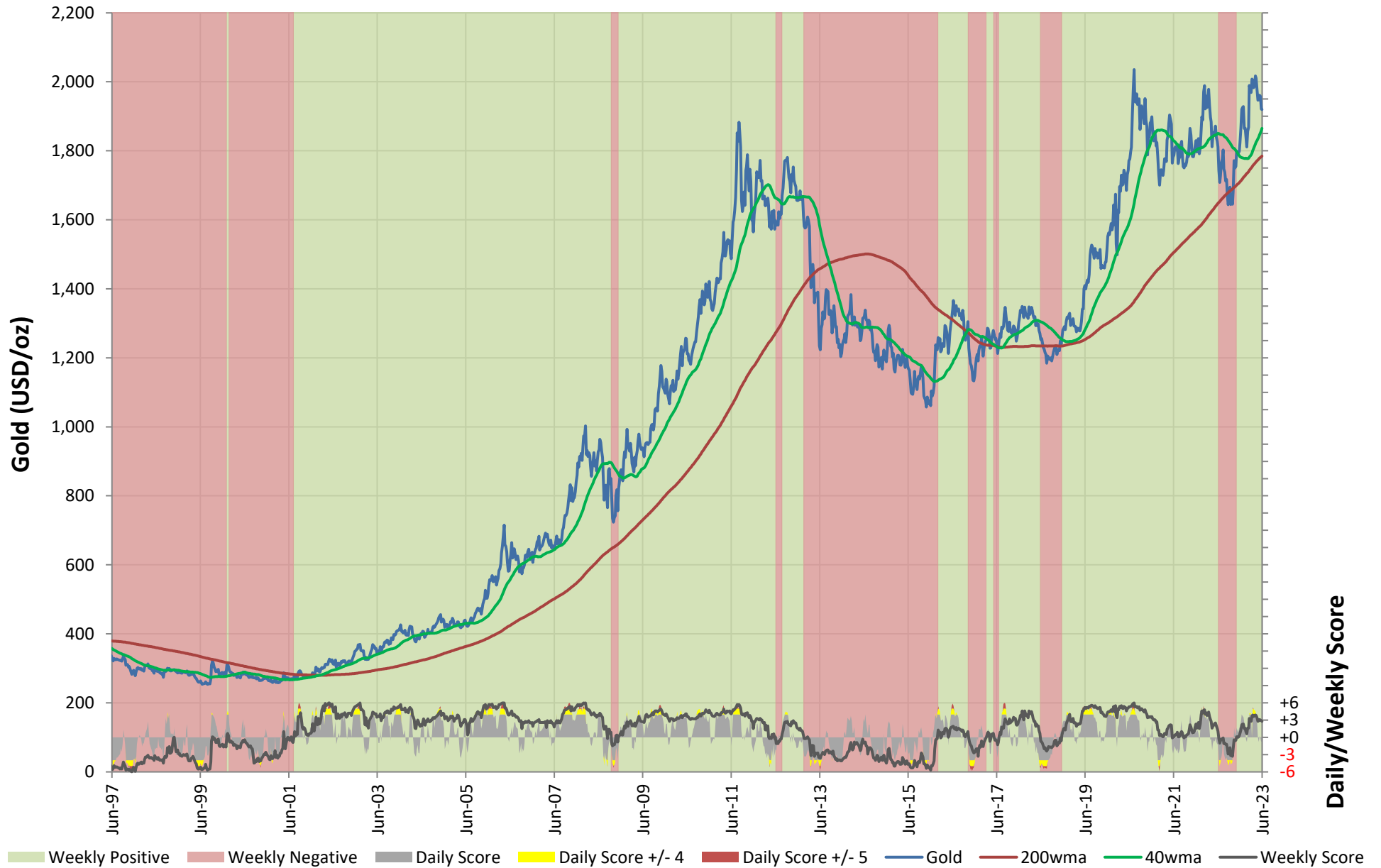
	30-Dec-22				31-Mar-23				30-Jun-23			
	Price	Δ Price since last qtr	Daily	Weekly	Price	Δ Price since last qtr	Daily	Weekly	Price	Δ Price since last qtr	Daily	Weekly
Precious												
Gold	1824	9.84%	1.9	0.7	1969	7.96%	4.1	2.8	1919	-2.54%	-0.6	2.8
AUDGold	2677	3.18%	2.7	1.8	2946	10.03%	5.1	3.8	2880	-2.23%	-0.3	2.9
Base												
Copper	8372	10.74%	0.6	-0.2	8993	7.42%	1.0	2.4	8316	-7.53%	-0.2	1.7
AUDCopper	12288	4.03%	0.0	0.5	13453	9.47%	3.6	3.4	12478	-7.24%	-0.4	2.3
AUDZinc	4363	-5.92%	-3.4	-1.7	4372	0.20%	-2.9	-1.1	3583	-18.03%	-3.6	-2.3
AUDNickel	44104	33.73%	1.9	2.2	35659	-19.15%	-1.4	0.7	30786	-13.66%	-4.4	-1.1
AUDIronOre	172	15.48%	2.4	-0.4	188	9.30%	1.6	0.8	168	-10.81%	3.2	0.2
Energy												
Coal	290	6.30%	-2.3	-0.9	302	4.43%	-2.0	0.1	231	-23.70%	-0.4	-0.6
SGO	116.11	-3.02%	-2.6	0.2	99.17	-14.59%	-4.9	-1.7	92.56	-6.66%	-0.6	-1.4
Currencies												
AUDUSD	0.6813	6.45%	0.5	-1.6	0.6685	-1.88%	-1.7	-1.6	0.6664	-0.31%	1.1	-1.2
NZDUSD	0.6350	13.39%	1.4	-1.5	0.6258	-1.45%	-0.4	-0.7	0.6125	-2.13%	0.5	-1.4
CADUSD	0.7378	2.03%	-1.9	-2.5	0.7399	0.28%	-1.6	-2.3	0.7552	2.07%	5.1	0.5
EURUSD	1.0705	9.21%	4.1	-1.2	1.0839	1.25%	2.8	1.6	1.0909	0.65%	2.0	1.5
ZARUSD	0.0587	6.15%	0.4	-2.5	0.0562	-4.26%	-0.7	-3.1	0.0531	-5.58%	-0.7	-3.2
BRLUSD	0.1894	2.56%	-1.2	-0.7	0.1975	4.29%	2.0	-0.8	0.2090	5.80%	4.7	3.8
JPYUSD	0.0076	10.39%	3.3	-1.8	0.0075	-1.31%	1.4	-0.8	0.0069	-7.93%	-3.2	-3.2
DXY	103.52	-7.67%	-3.0	1.4	102.51	-0.98%	-2.6	-0.3	102.91	0.40%	-1.4	-0.9
Indices												
DOW	33147	15.39%	1.6	1.7	33274	0.38%	1.9	2.0	34408	3.41%	3.6	3.6
ALLORDS	7222	8.13%	0.8	0.6	7373	2.10%	0.3	1.5	7402	0.38%	-0.2	2.1
GDX	28.66	18.82%	0.3	-1.7	32.35	12.88%	4.2	0.1	30.11	-6.92%	-1.1	0.7
GSCI	610	0.38%	-2.7	0.2	574	-5.91%	-3.3	-1.2	540	-5.85%	-2.6	-0.9



USD Gold – Global Gold Score



USD Gold – Red/Green Treatment



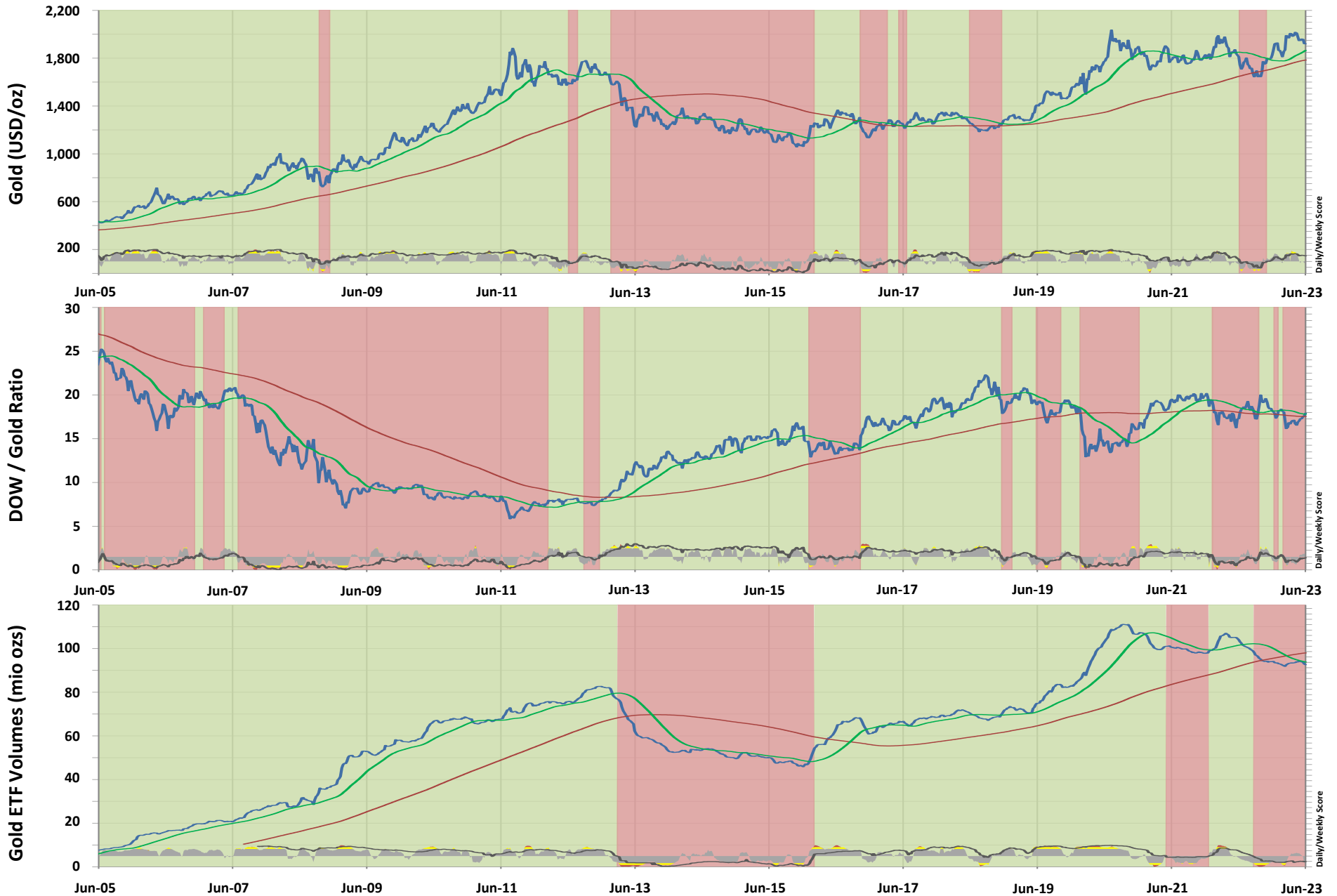
Note: Background colour does not change until there has been three consecutive weeks of positive or negative Weekly Score.



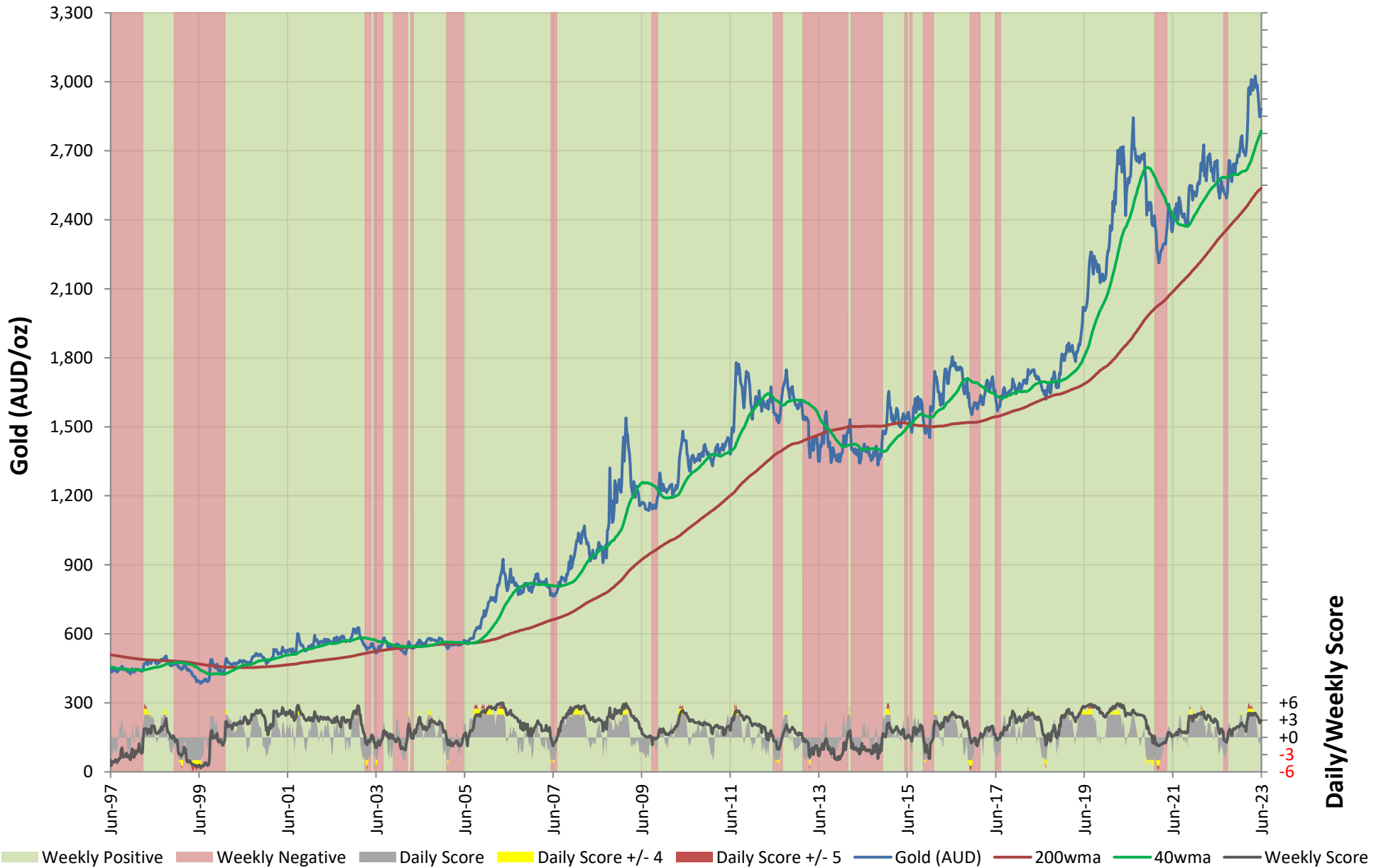
USD Gold – Paint-the-Line



USD Gold – DOW / Gold Ratio – Gold ETF Volumes



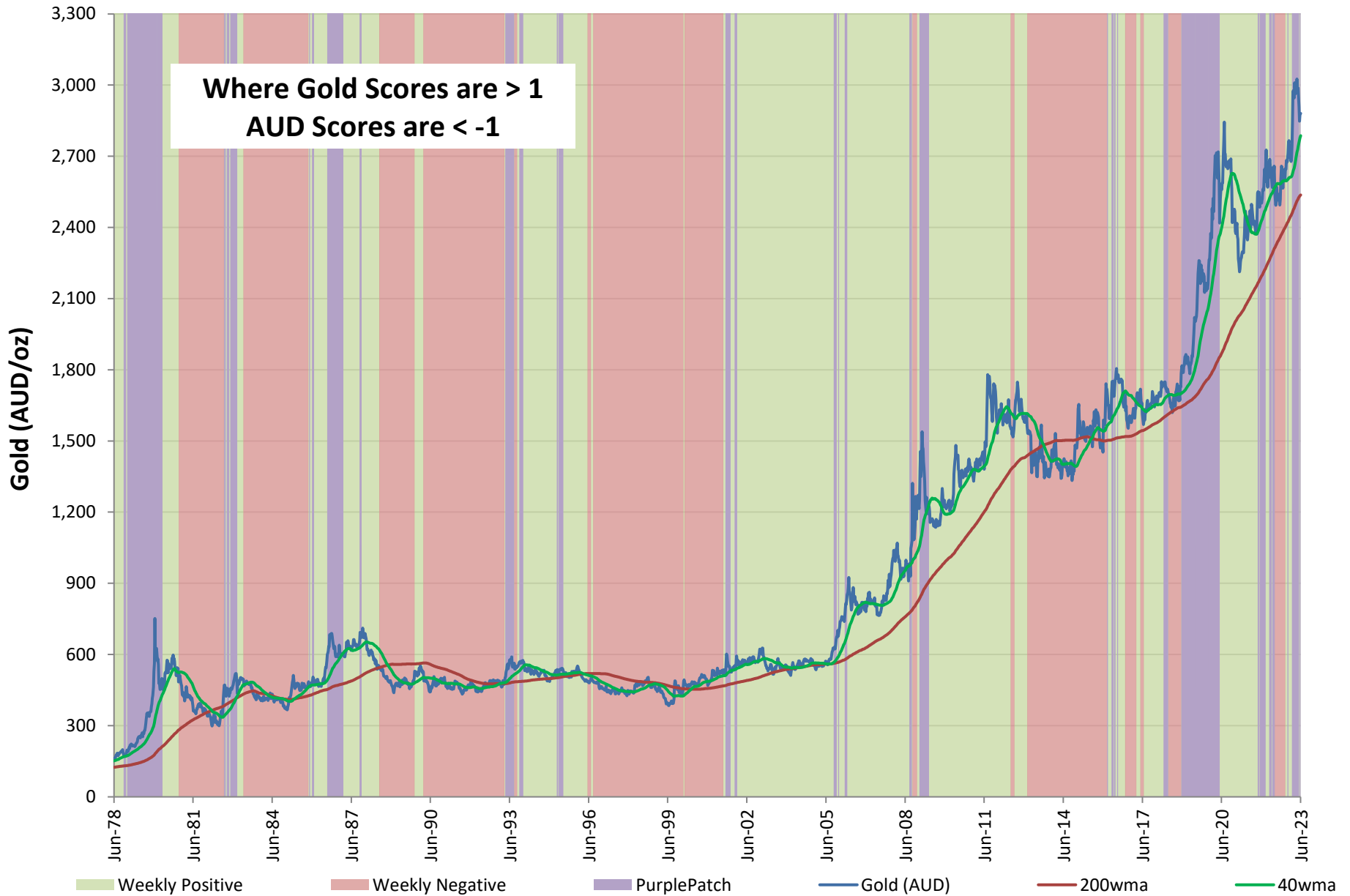
AUD Gold – Red/Green Treatment



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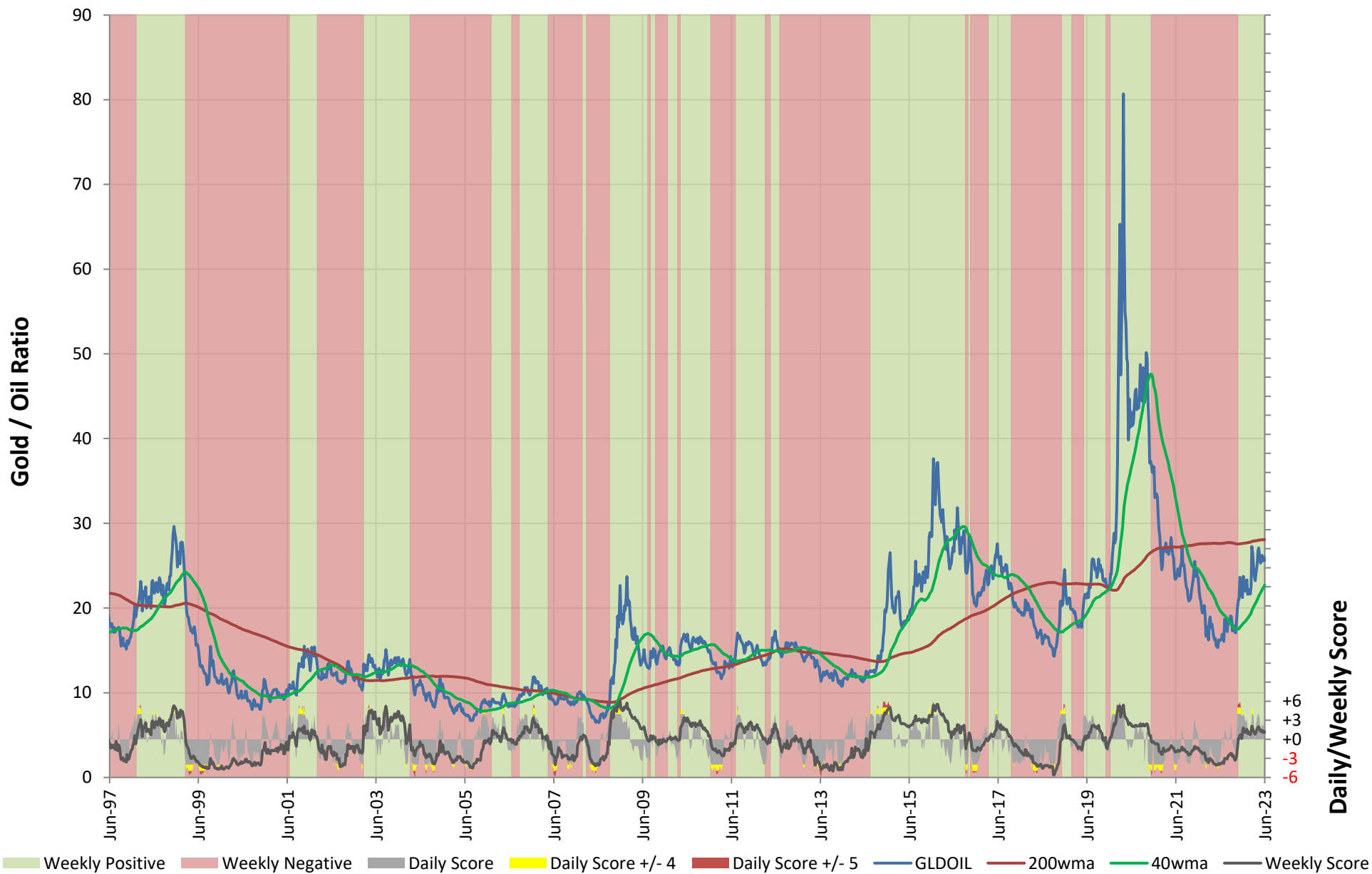
AUD Gold – PurplePatch & USD Gold Background



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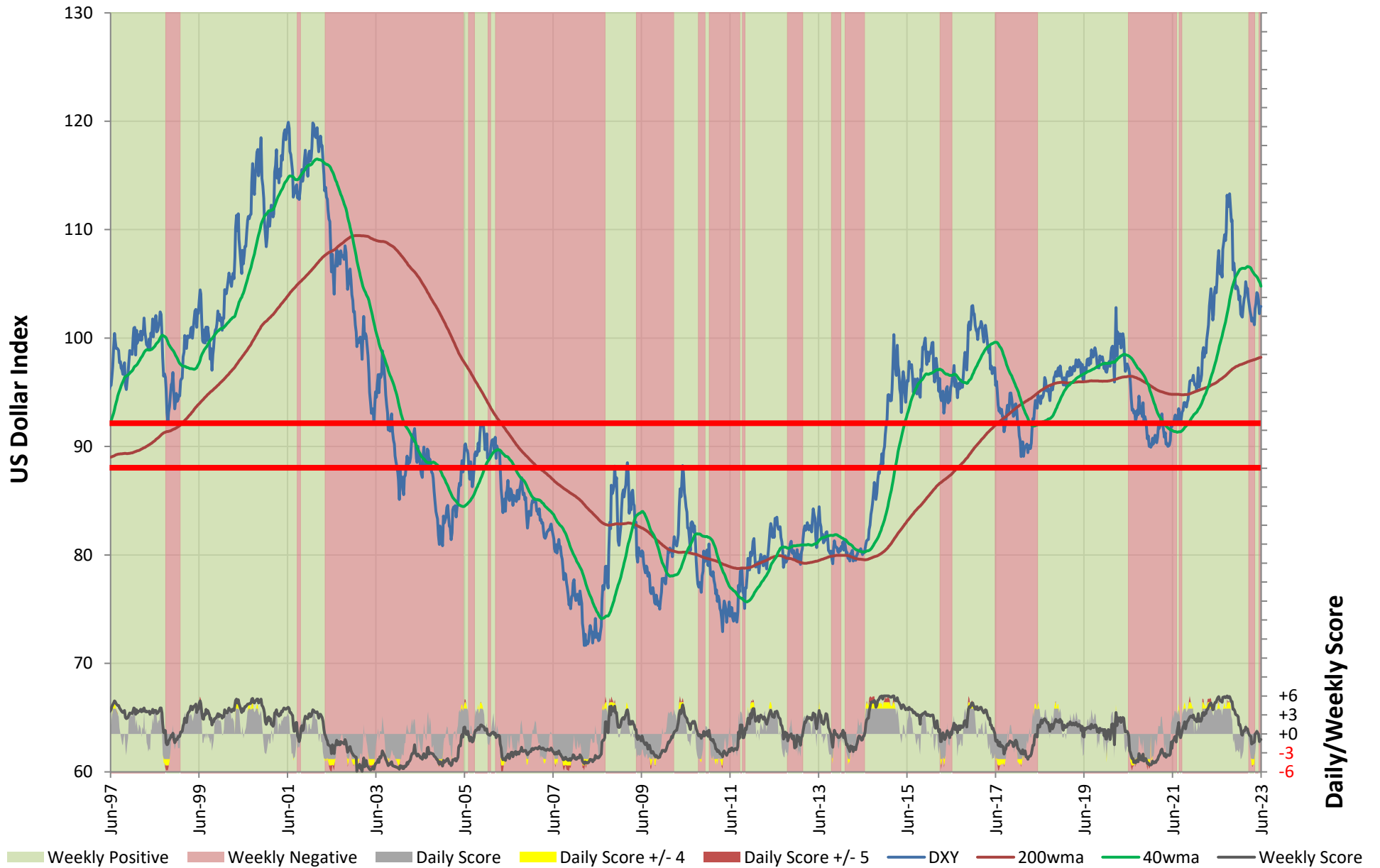
Gold / Oil Ratio – Red/Green Treatment



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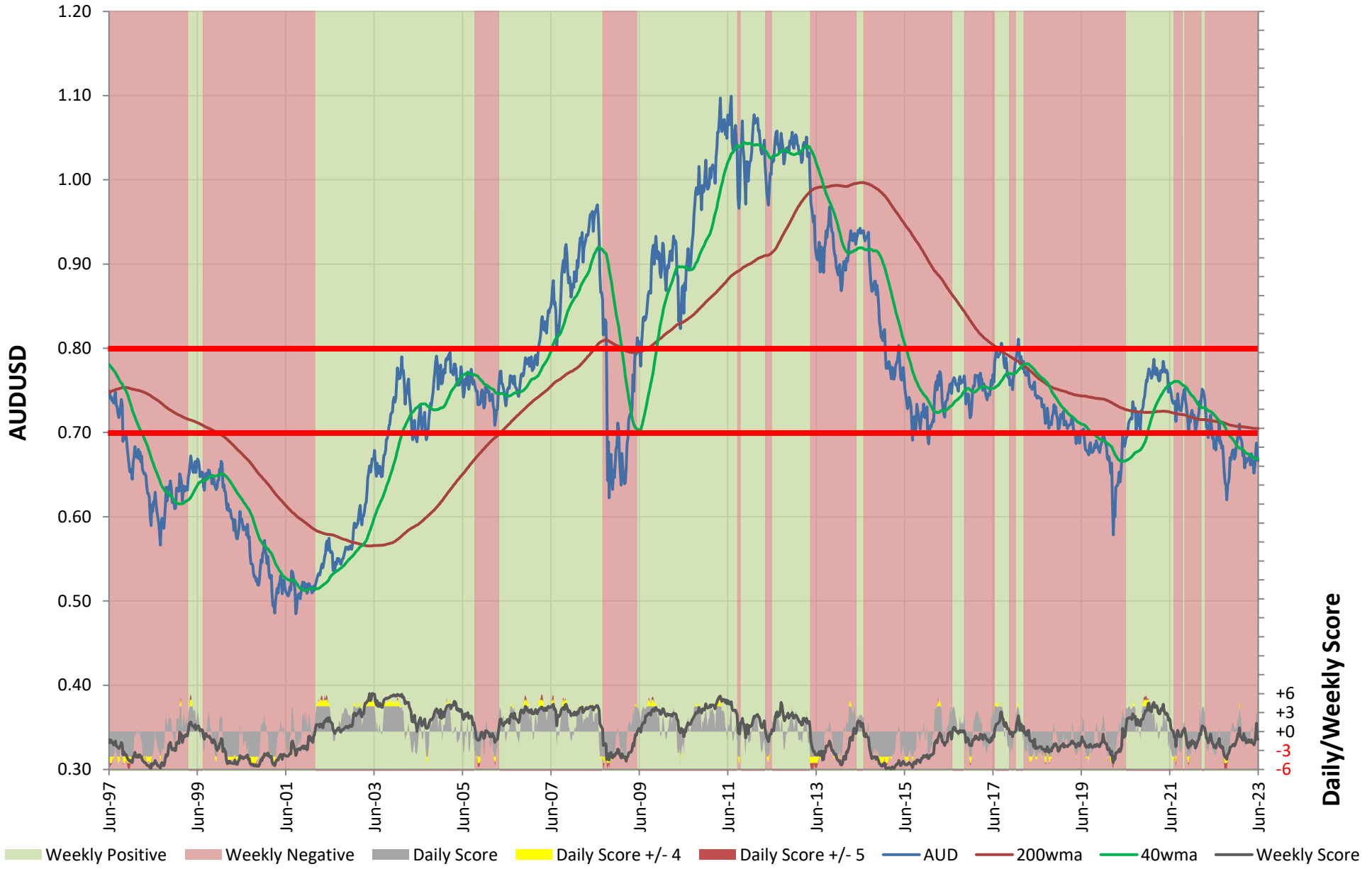
US Dollar Index – Red/Green Treatment



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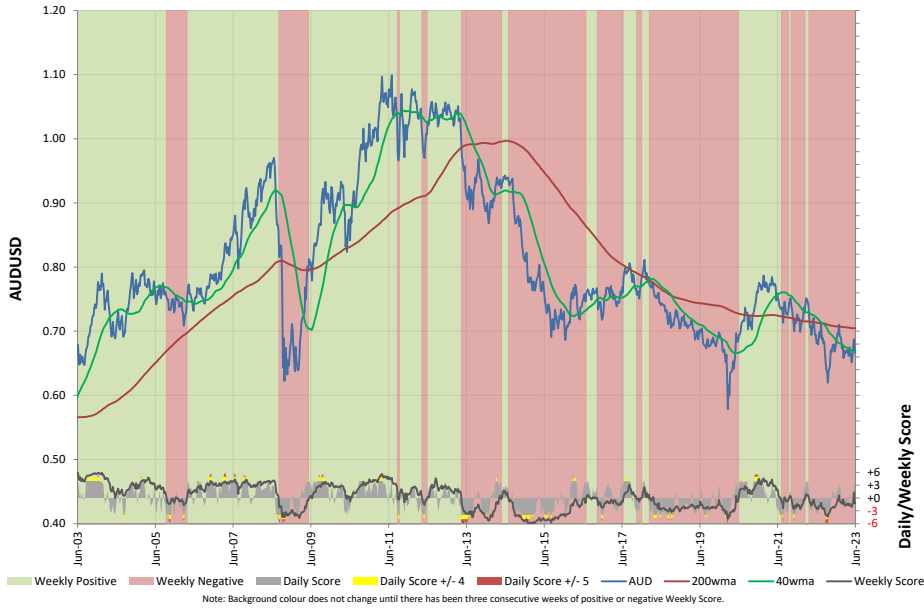
AUDUSD – Red/Green Treatment



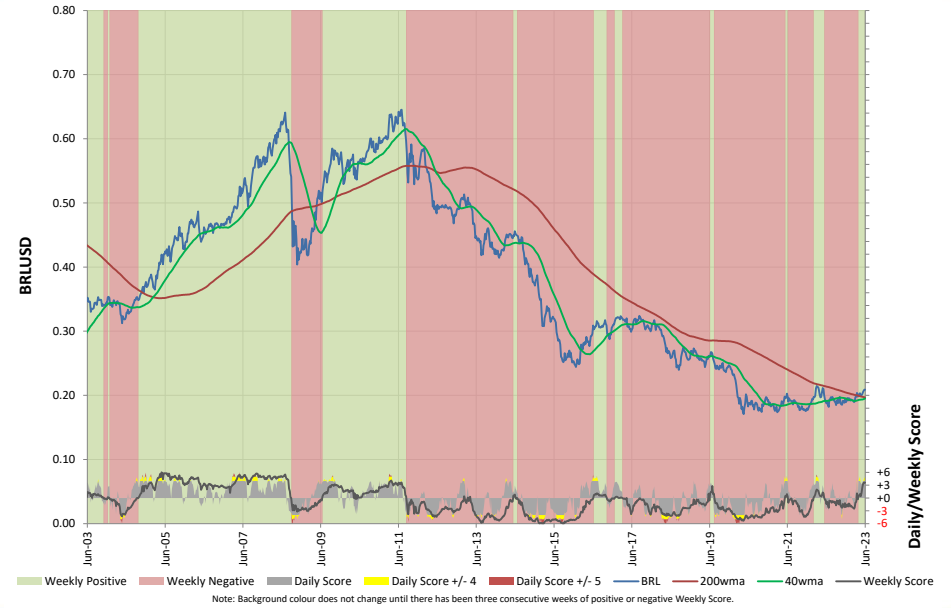
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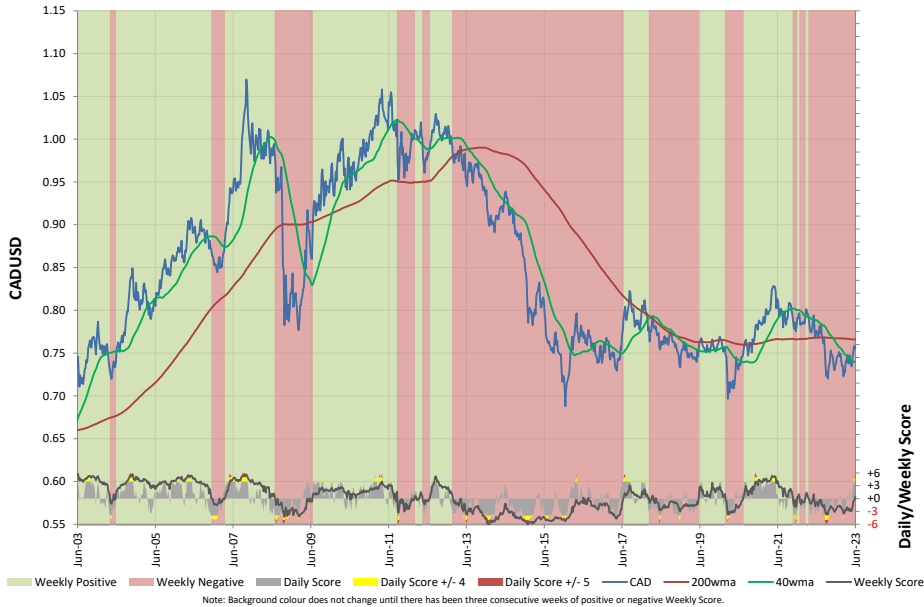
AUD



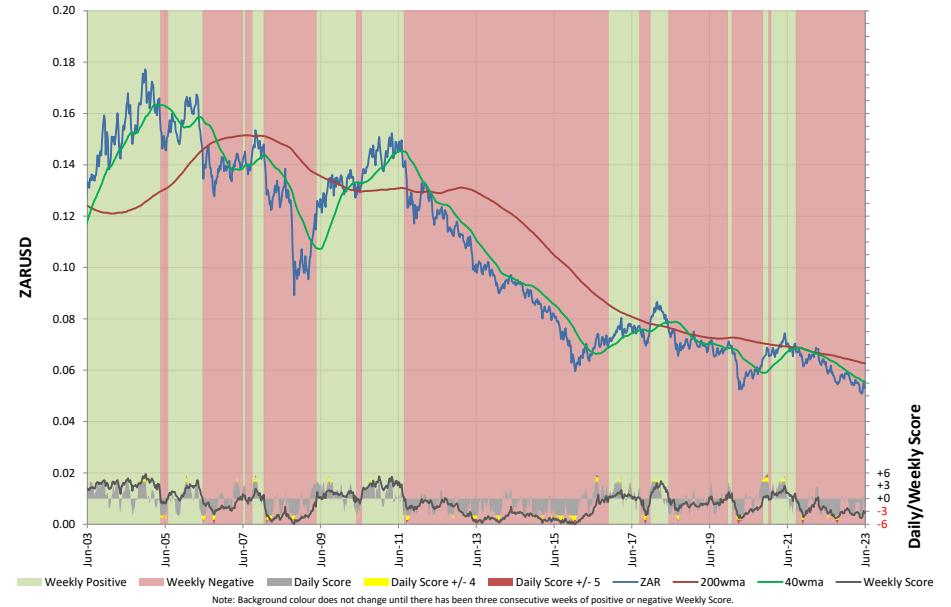
BRL (quoted inversely)



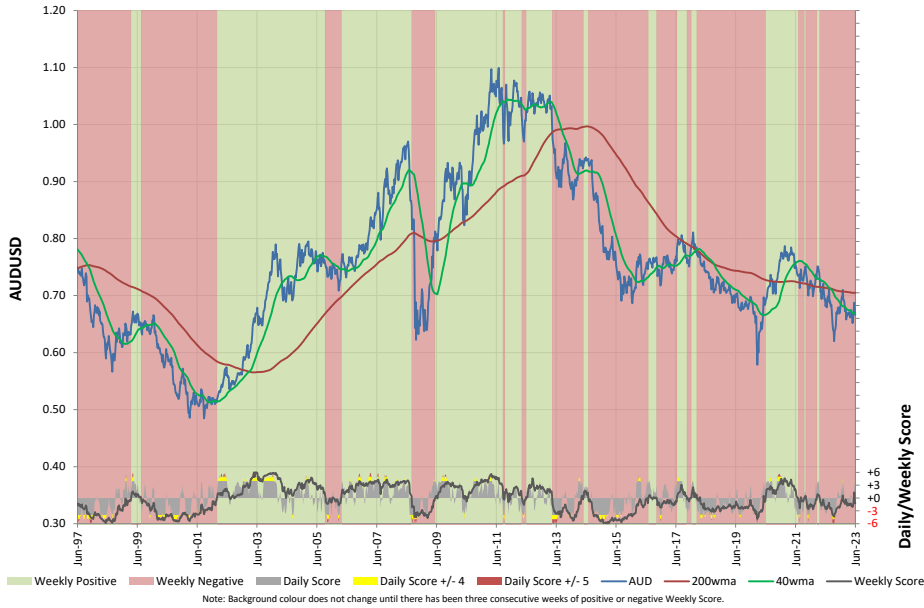
CAD (quoted inversely)



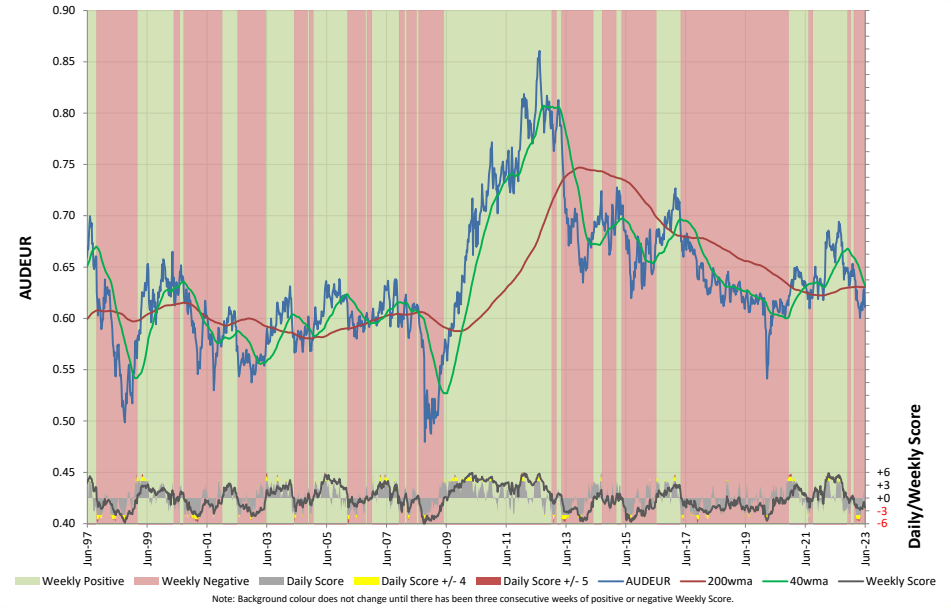
ZAR (quoted inversely)



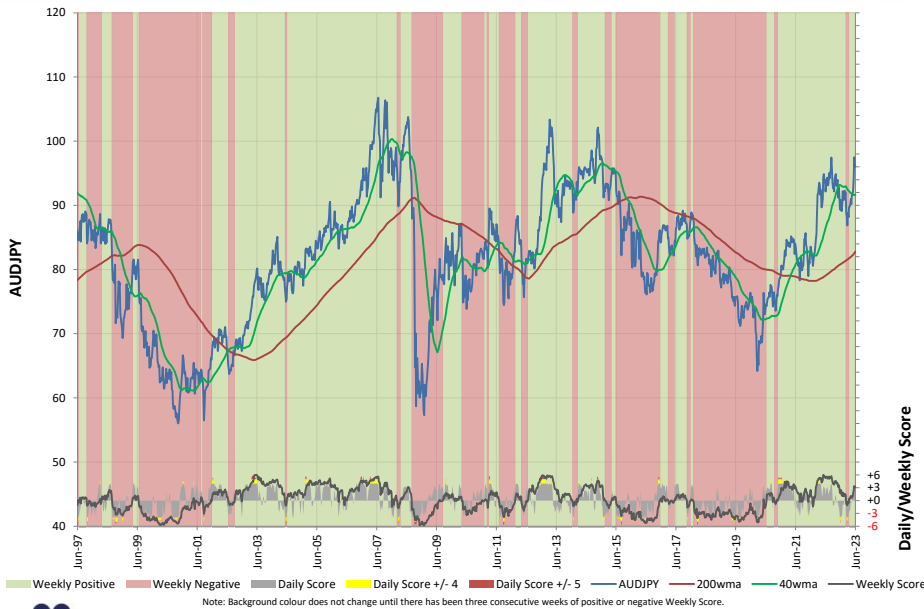
AUD



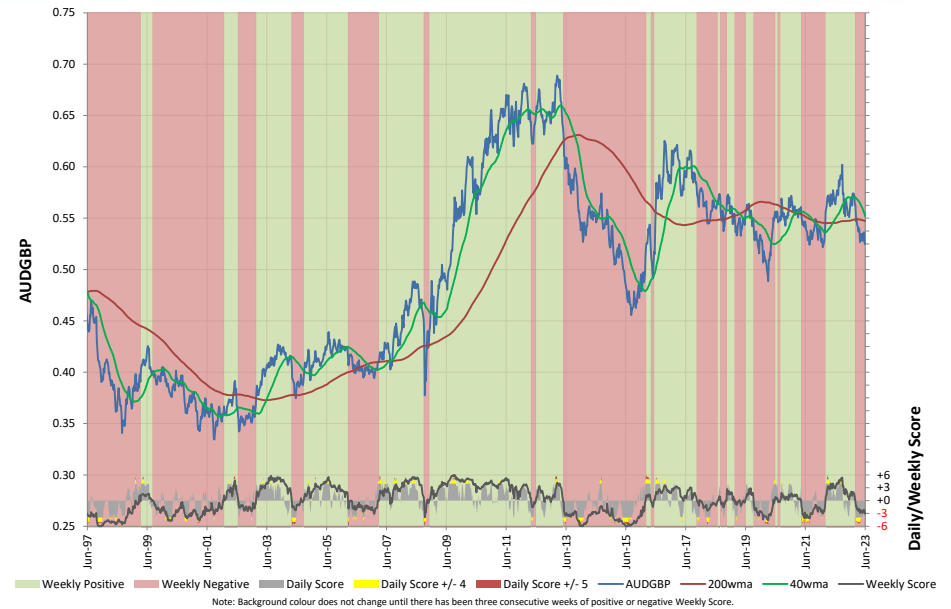
AUD EUR



AUD JPY

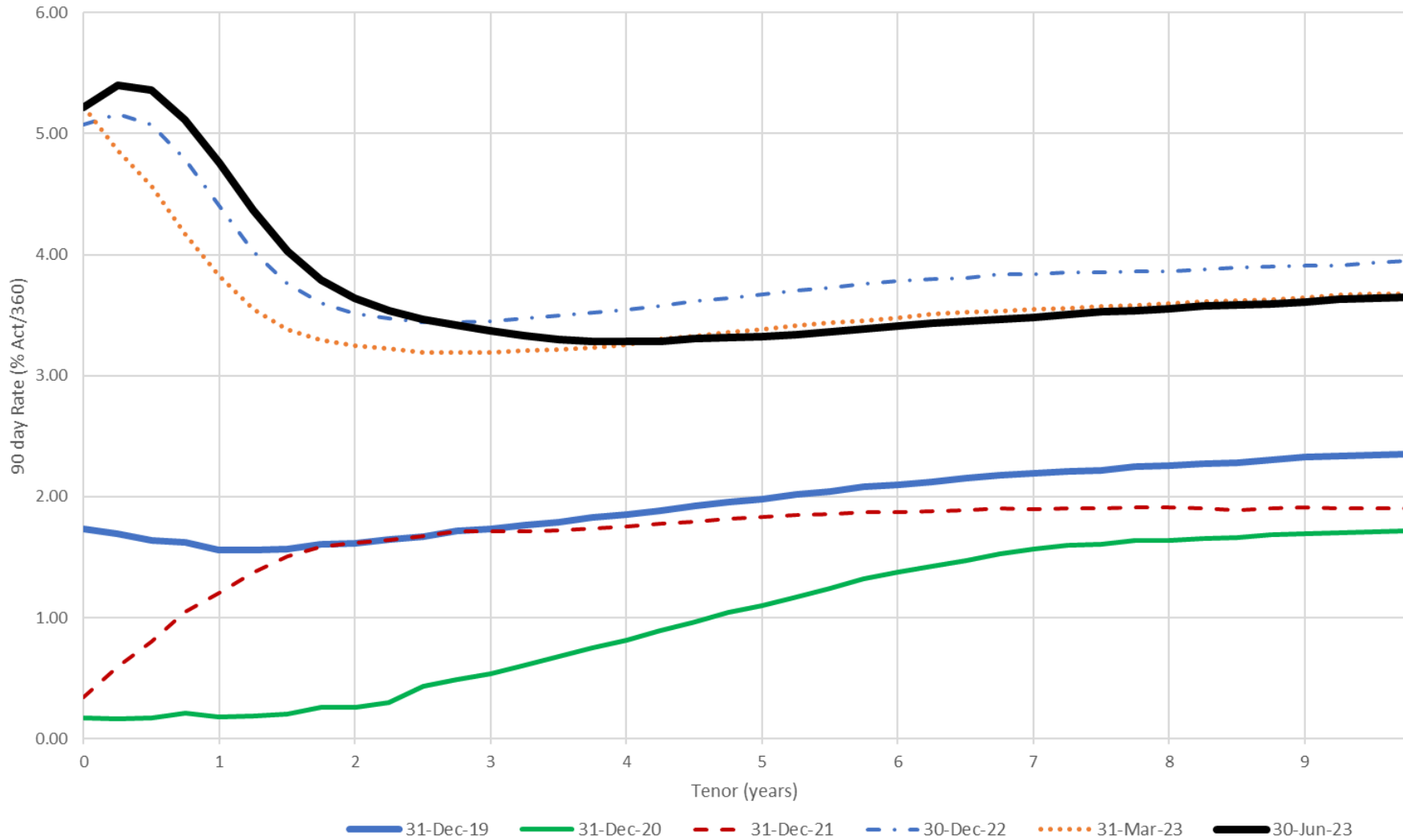


AUD GBP

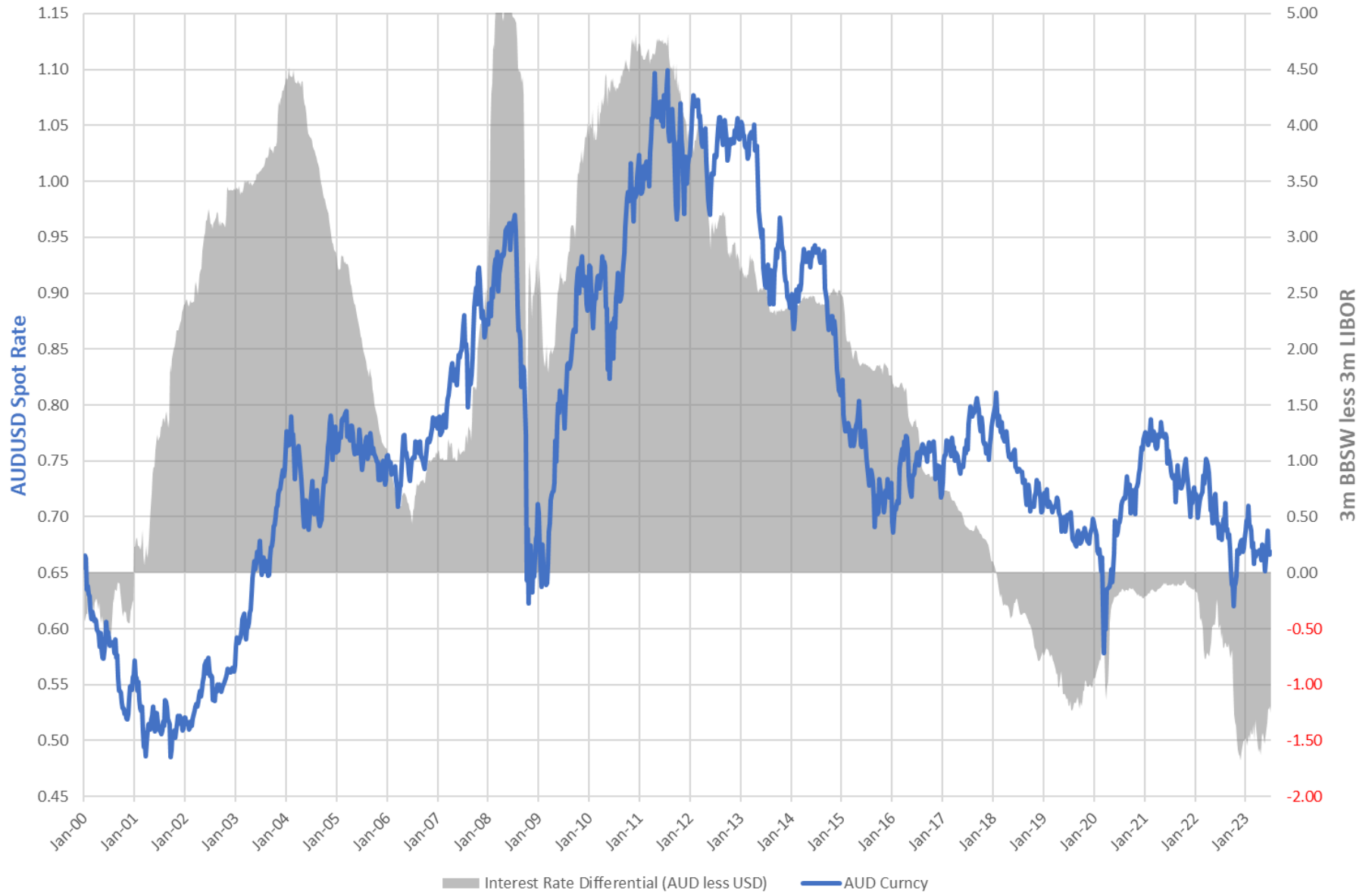


The Changing Shape of the US Interest Rate Curve

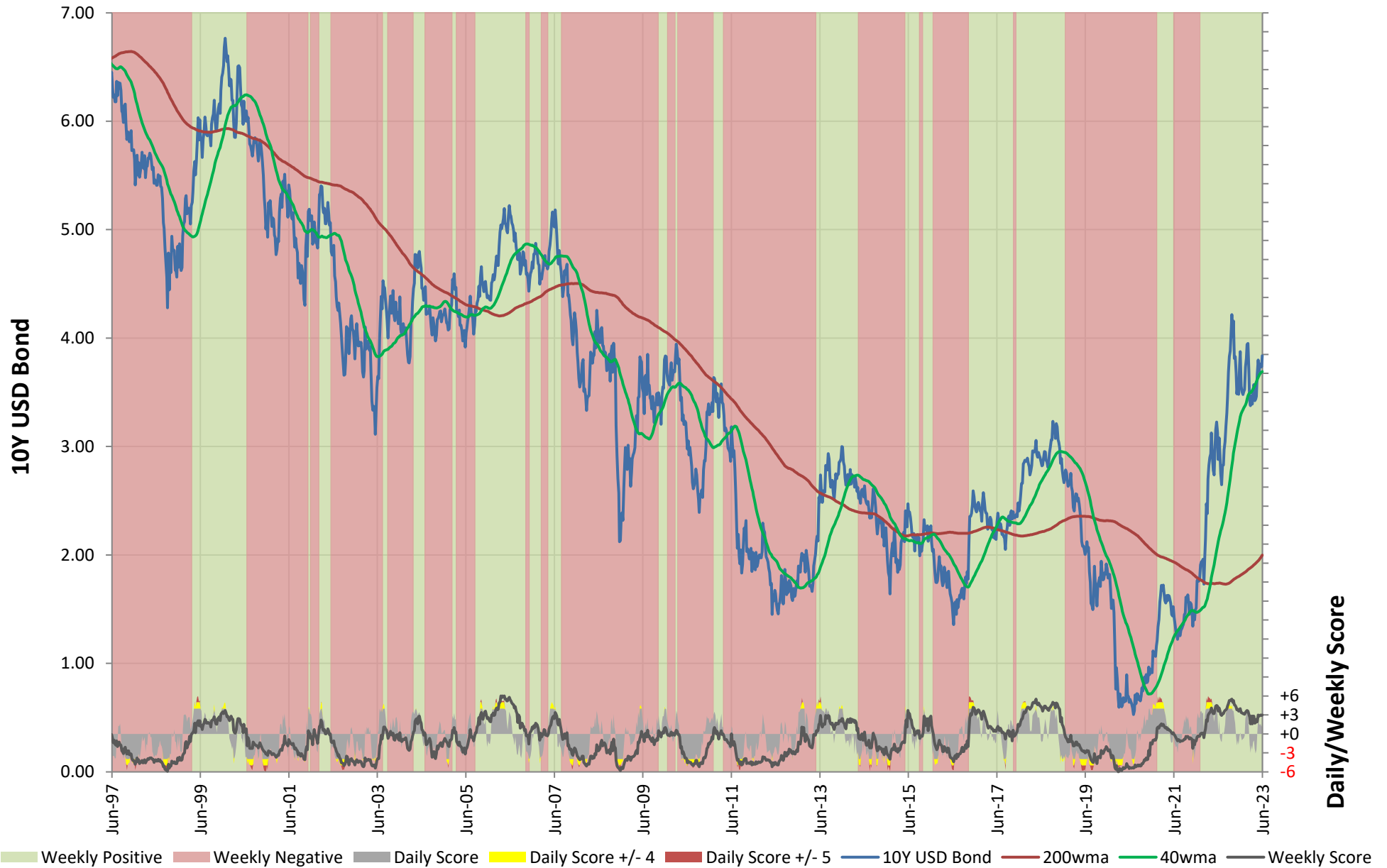
EURO Futures



The Australian Dollar and the Interest Rate Differential



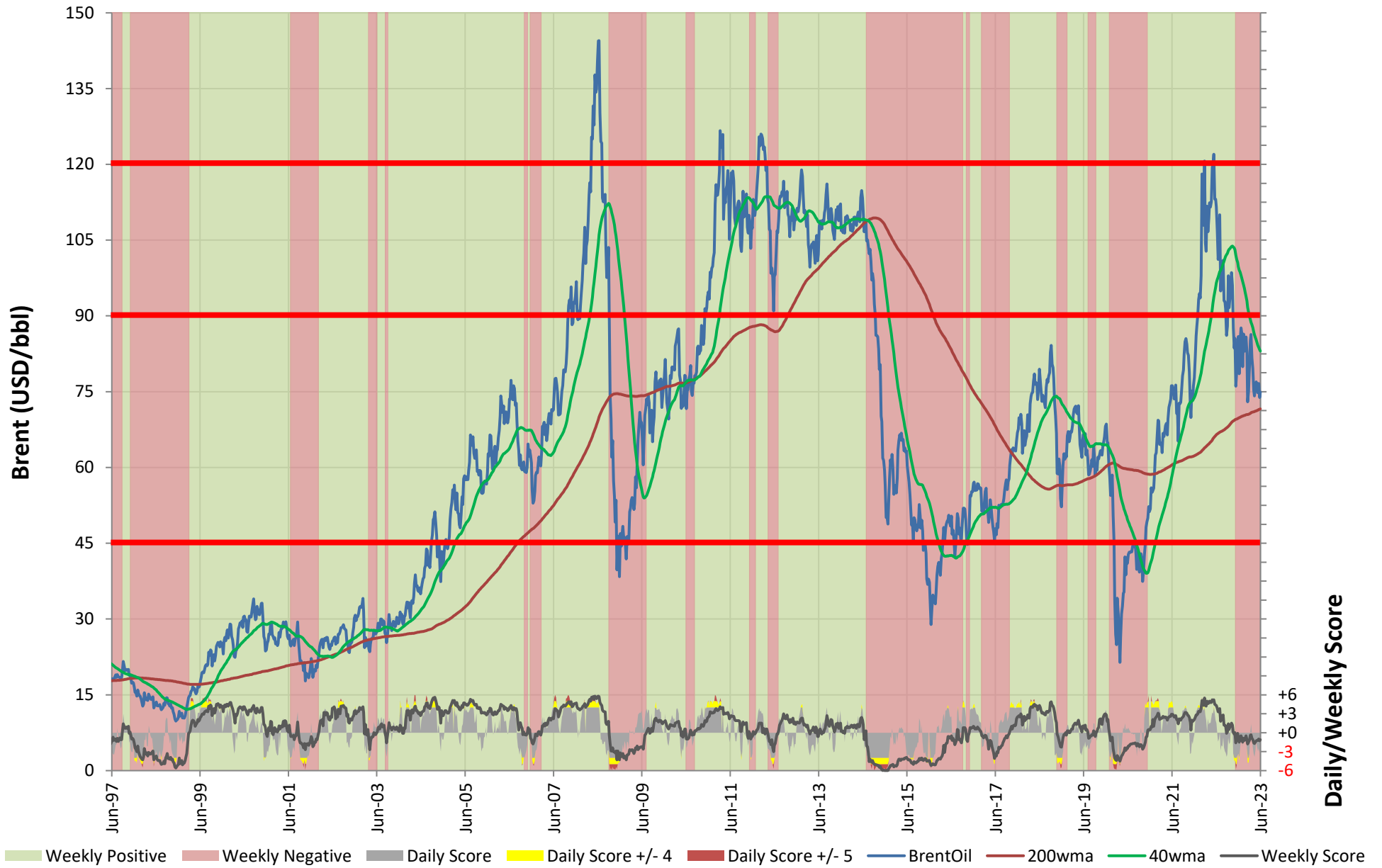
10Y USD Bond Yield – Red/Green Treatment



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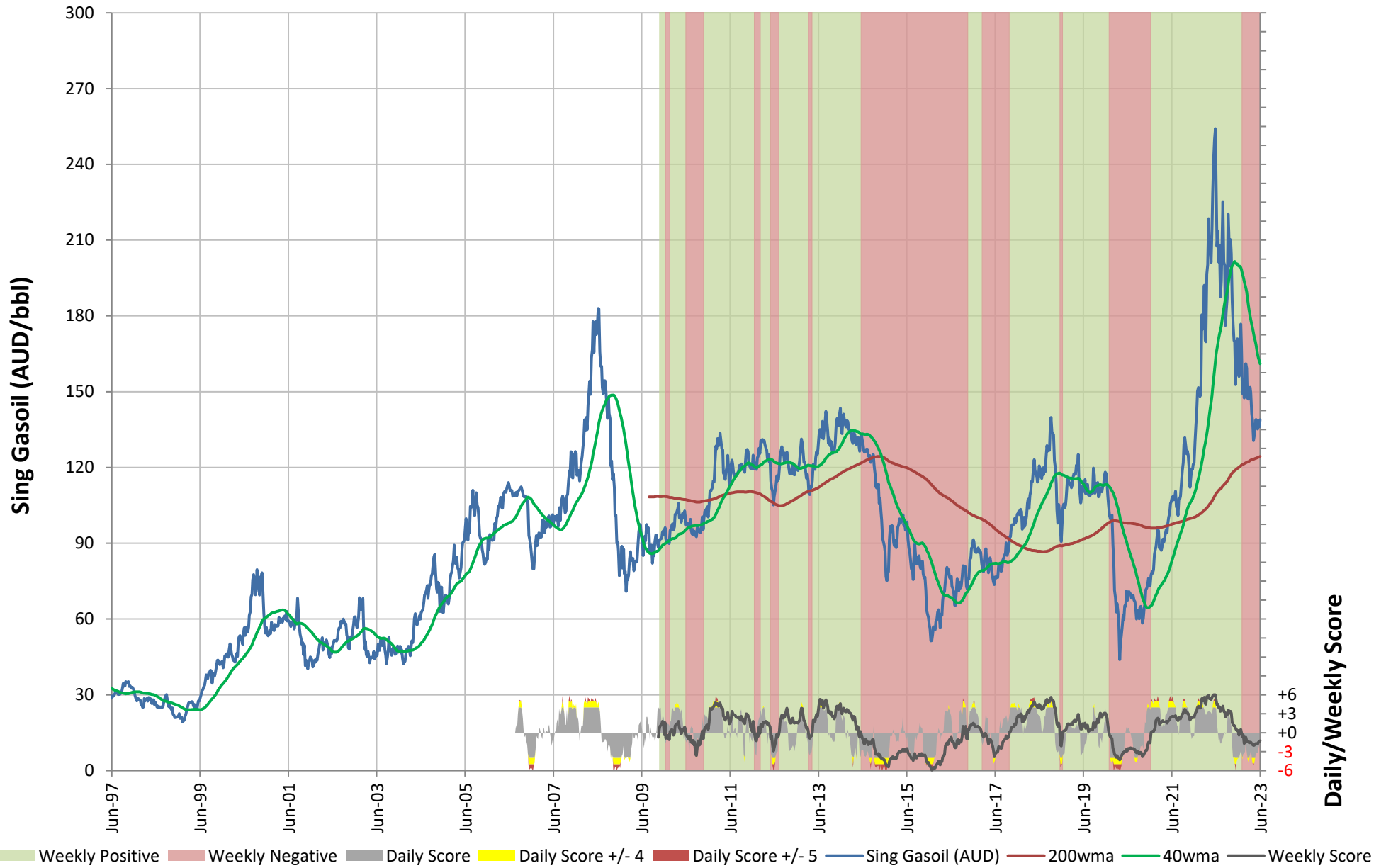
USD Brent – Red/Green Treatment



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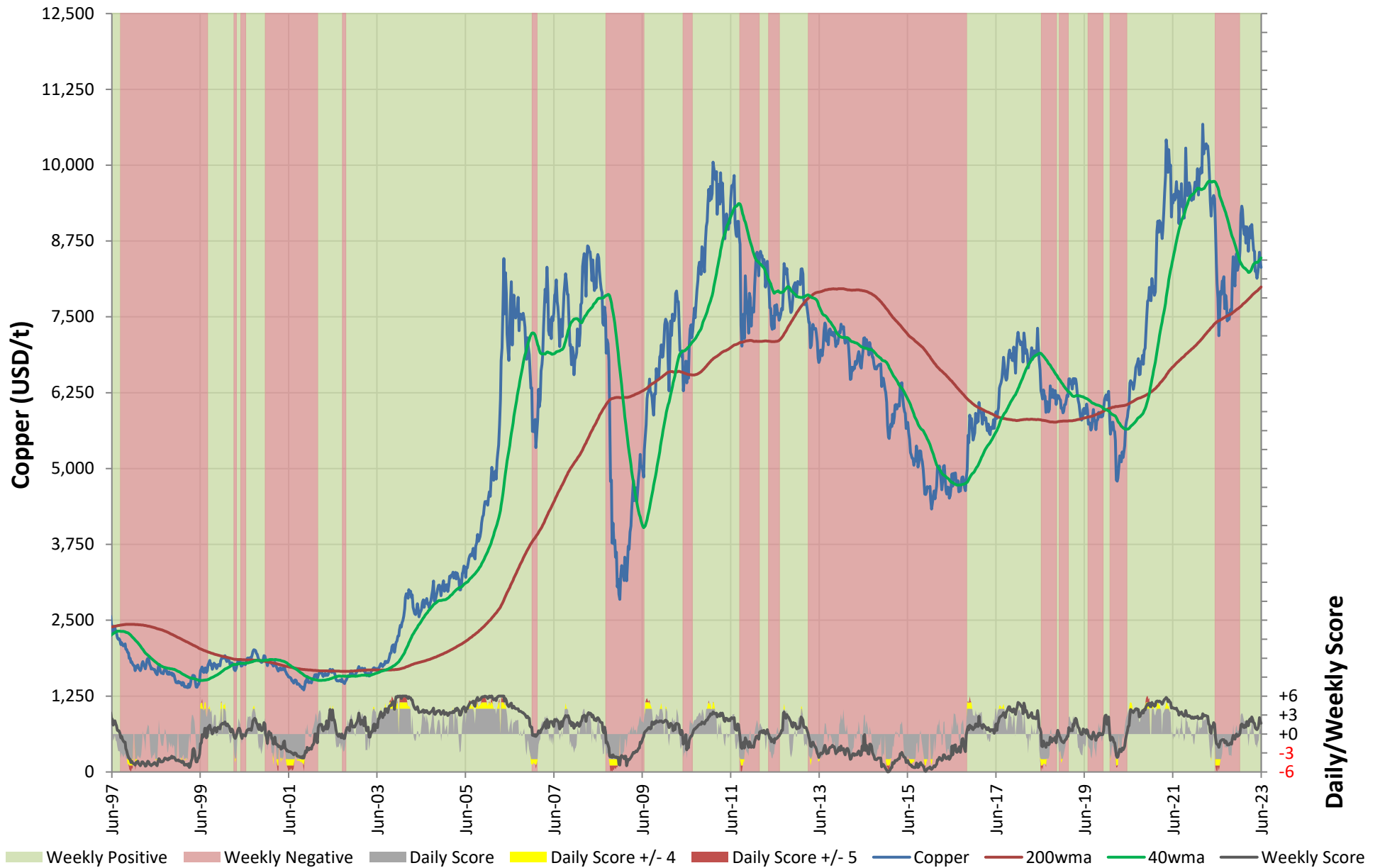
AUD Sing Gasoil – Red/Green Treatment



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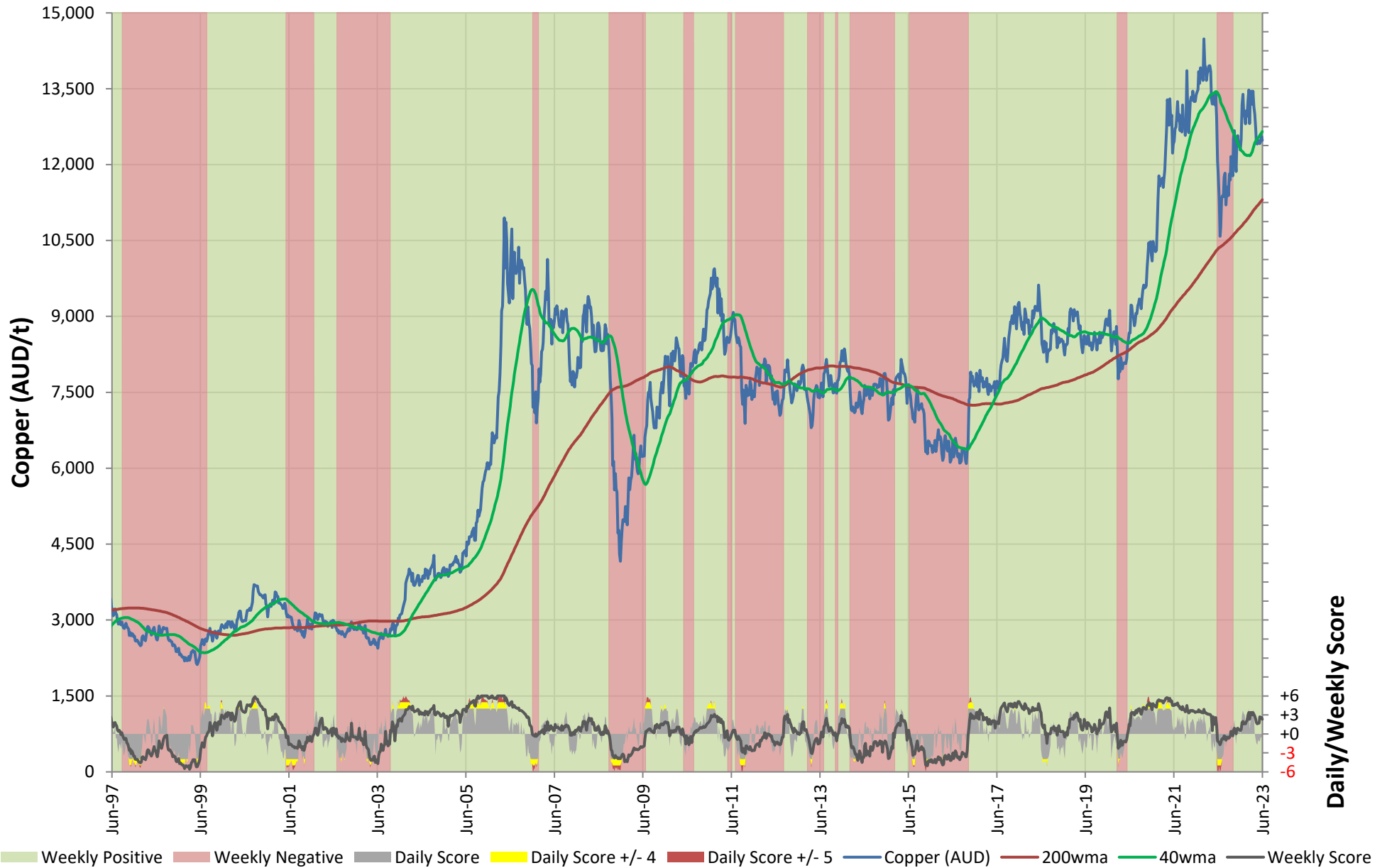
USD Copper – Red/Green Treatment



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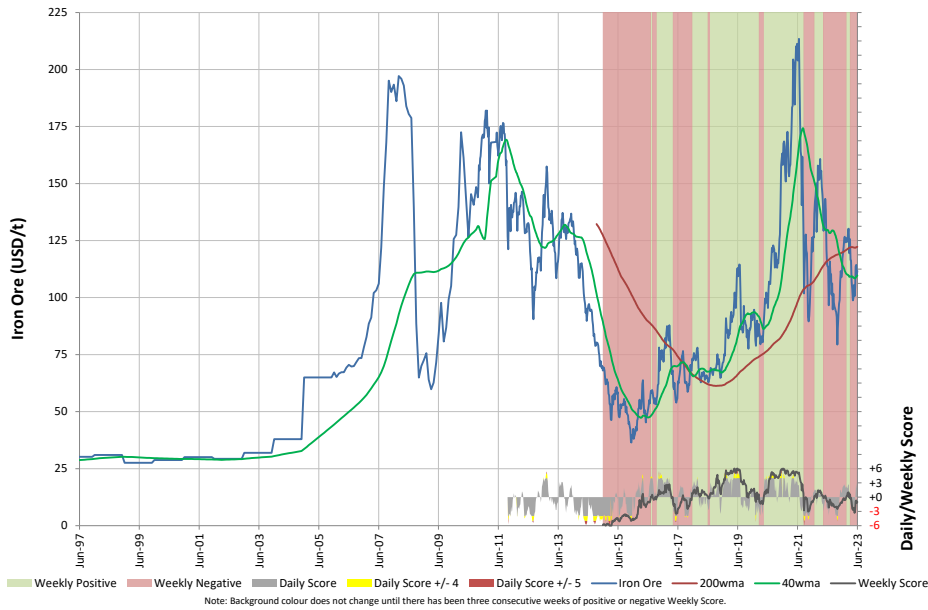
AUD Copper – Red/Green Treatment



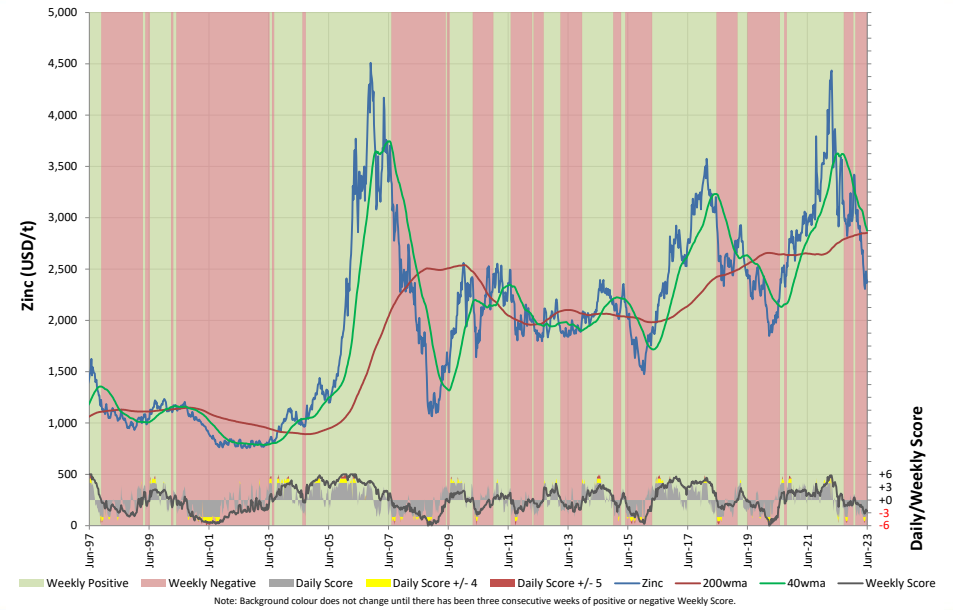
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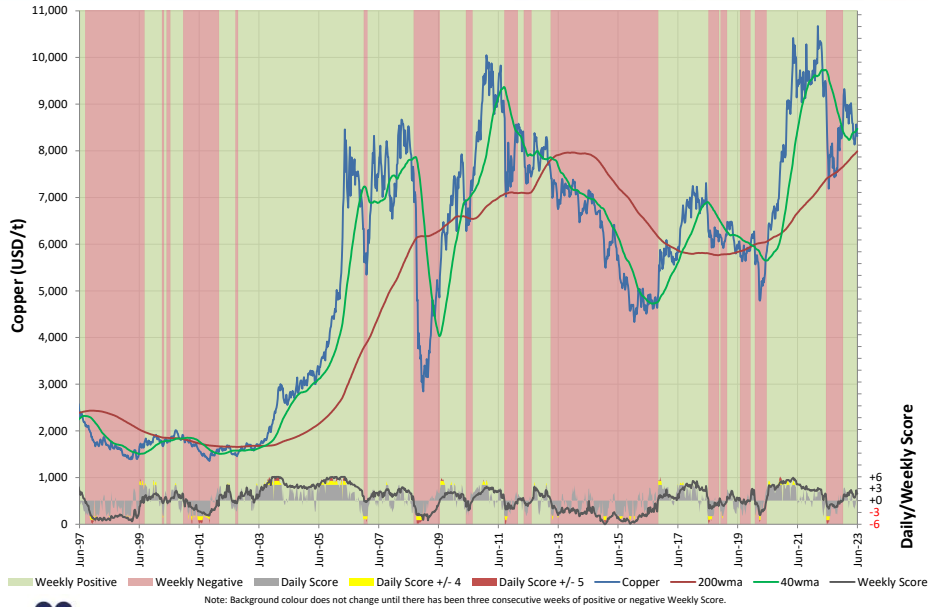
USD Iron Ore



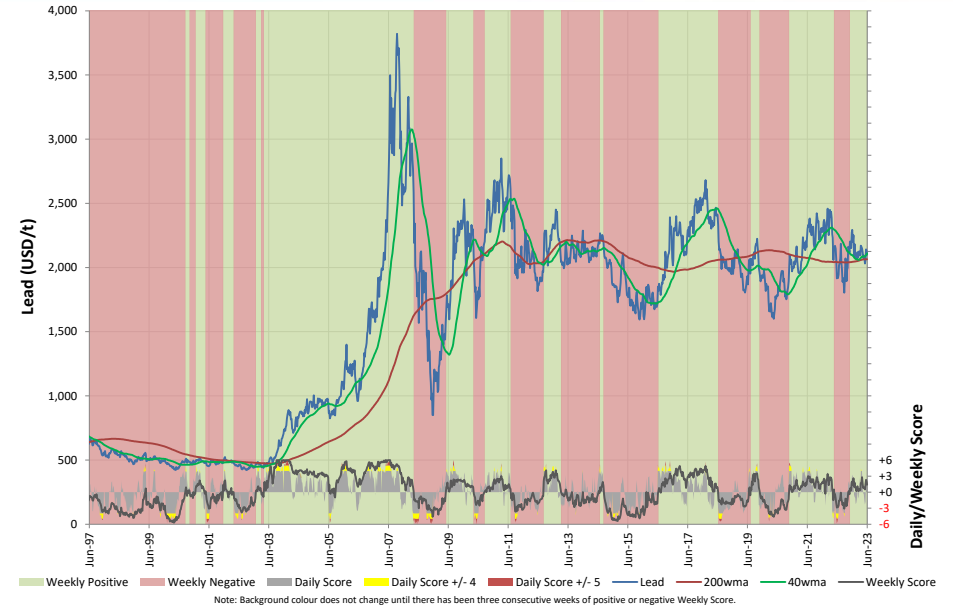
USD Zinc



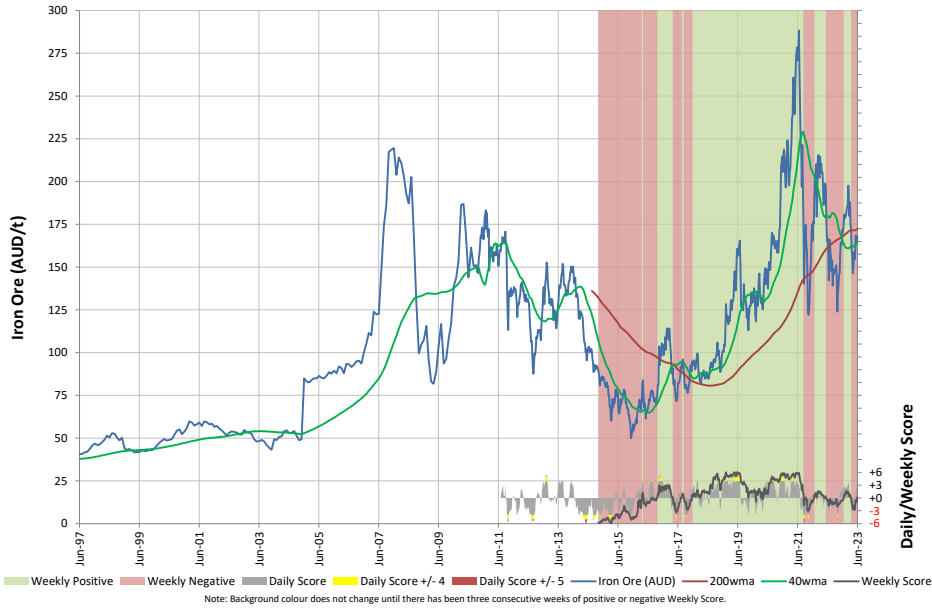
USD Copper



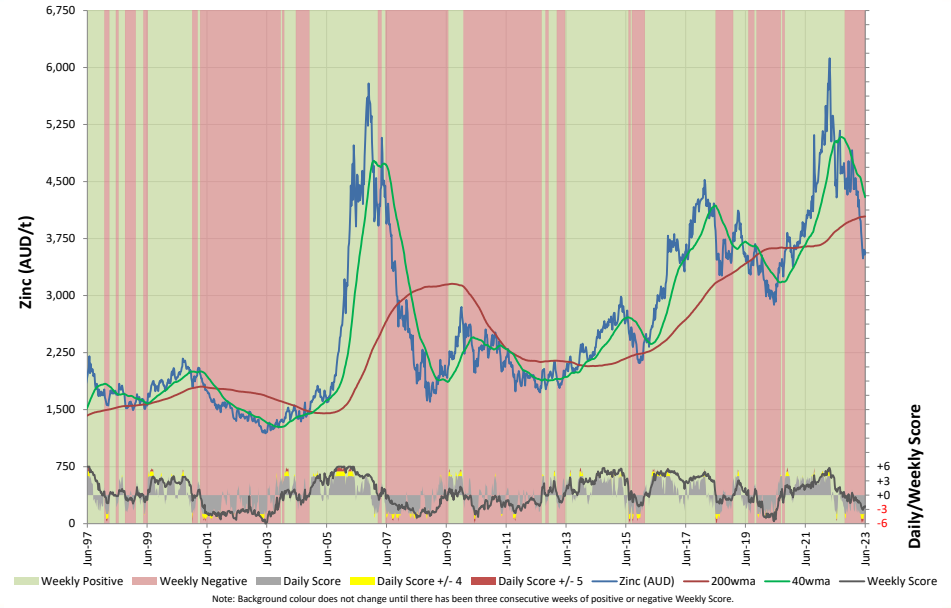
USD Lead



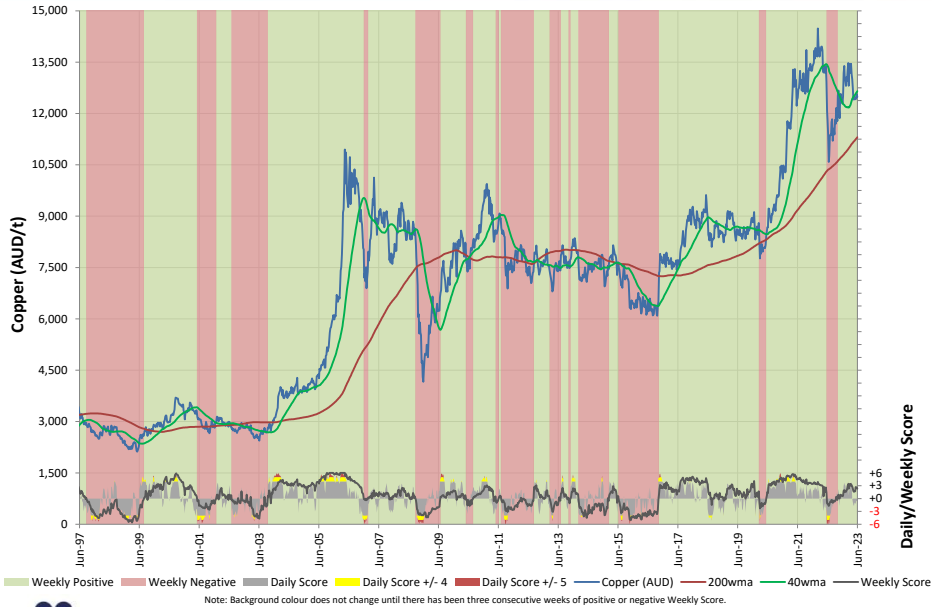
AUD Iron Ore



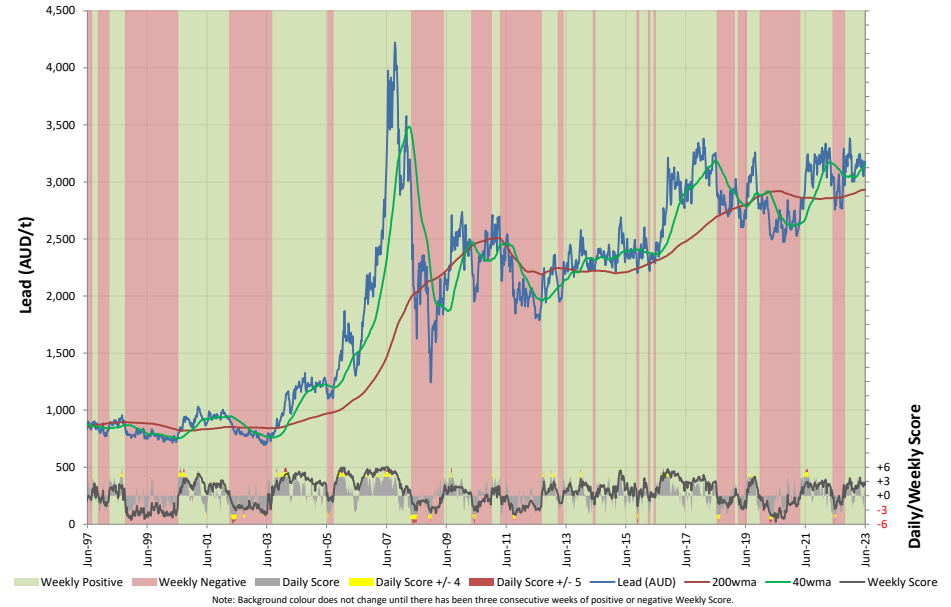
AUD Zinc



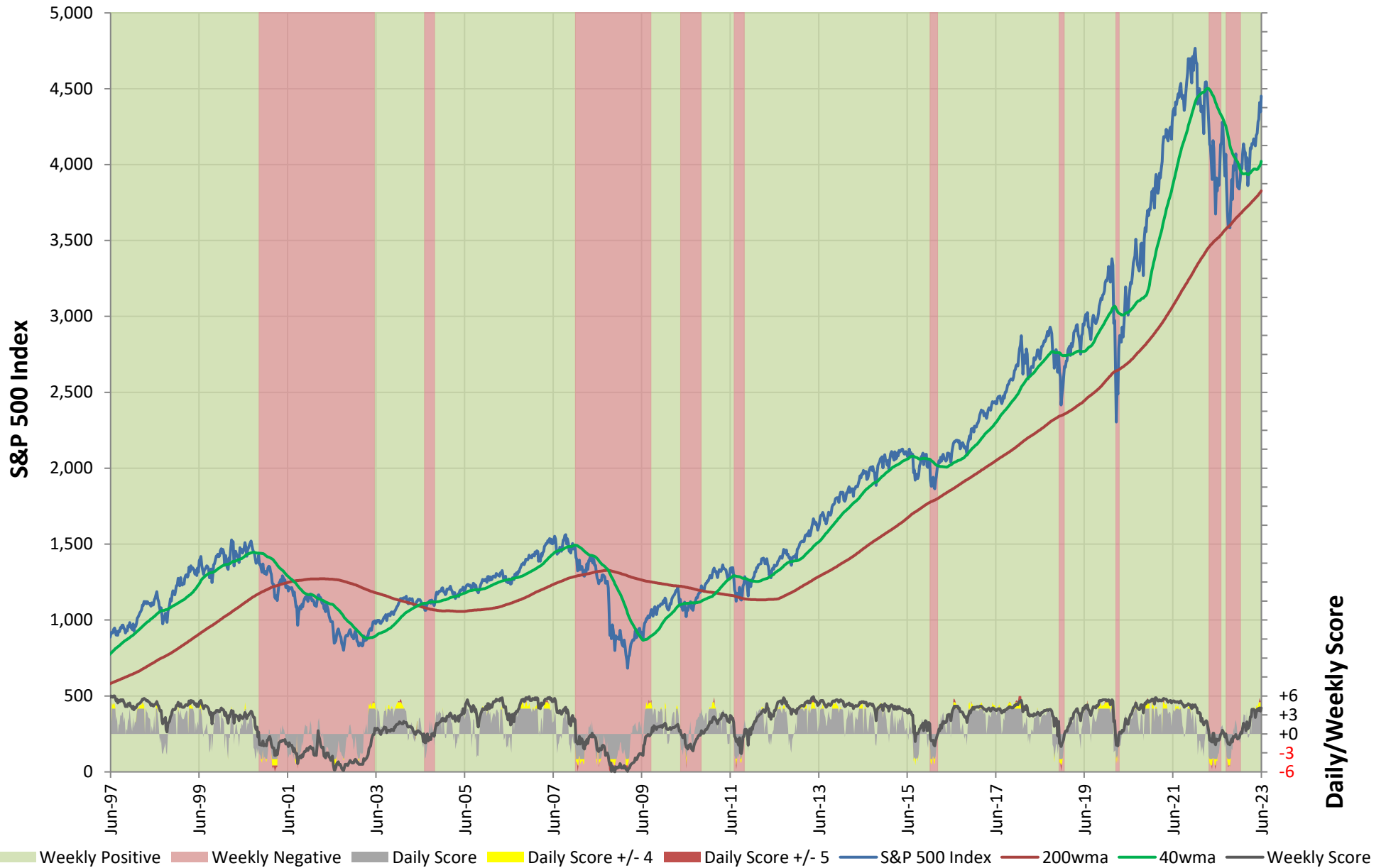
AUD Copper



AUD Lead



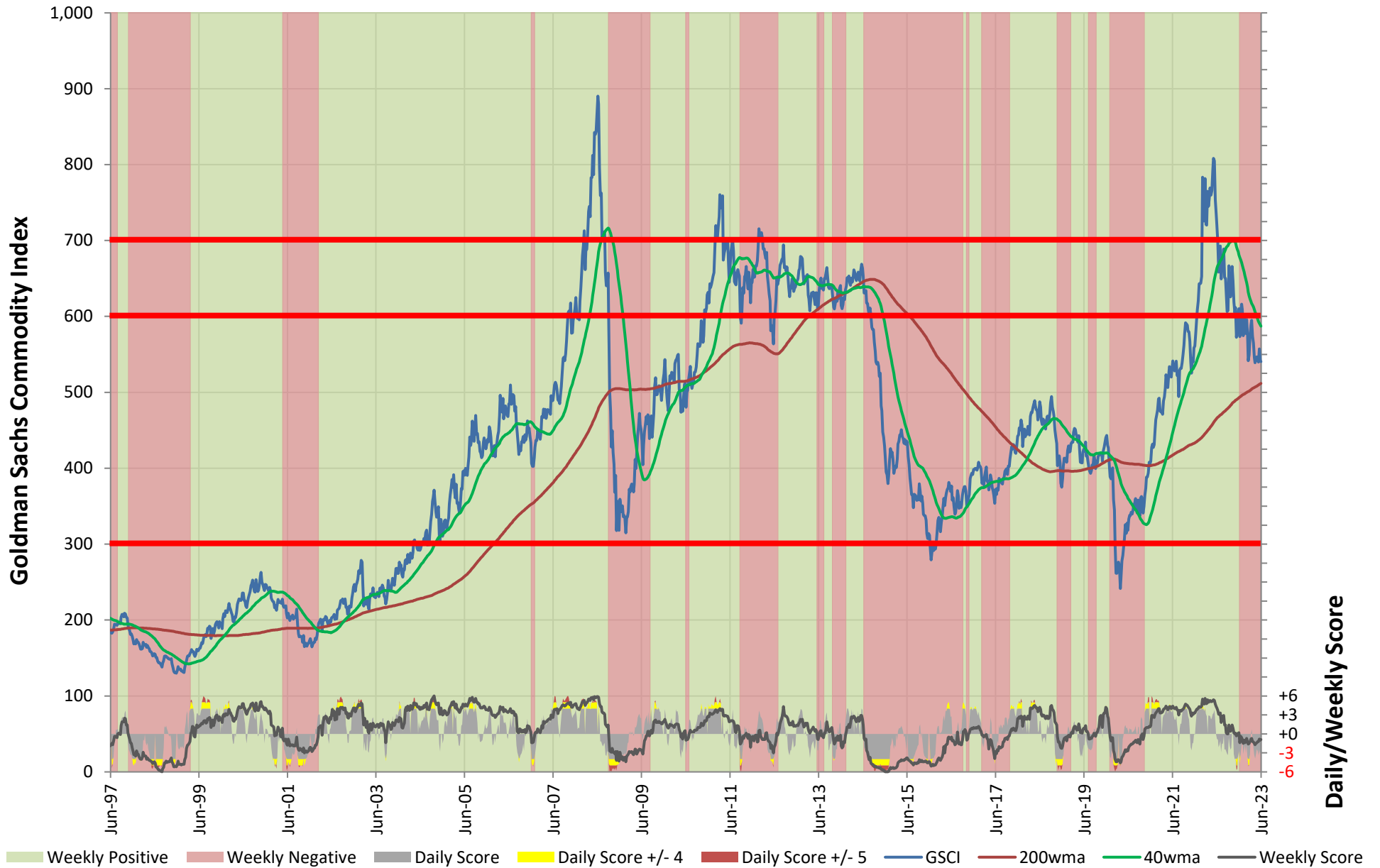
S&P 500 Index – Red/Green Treatment



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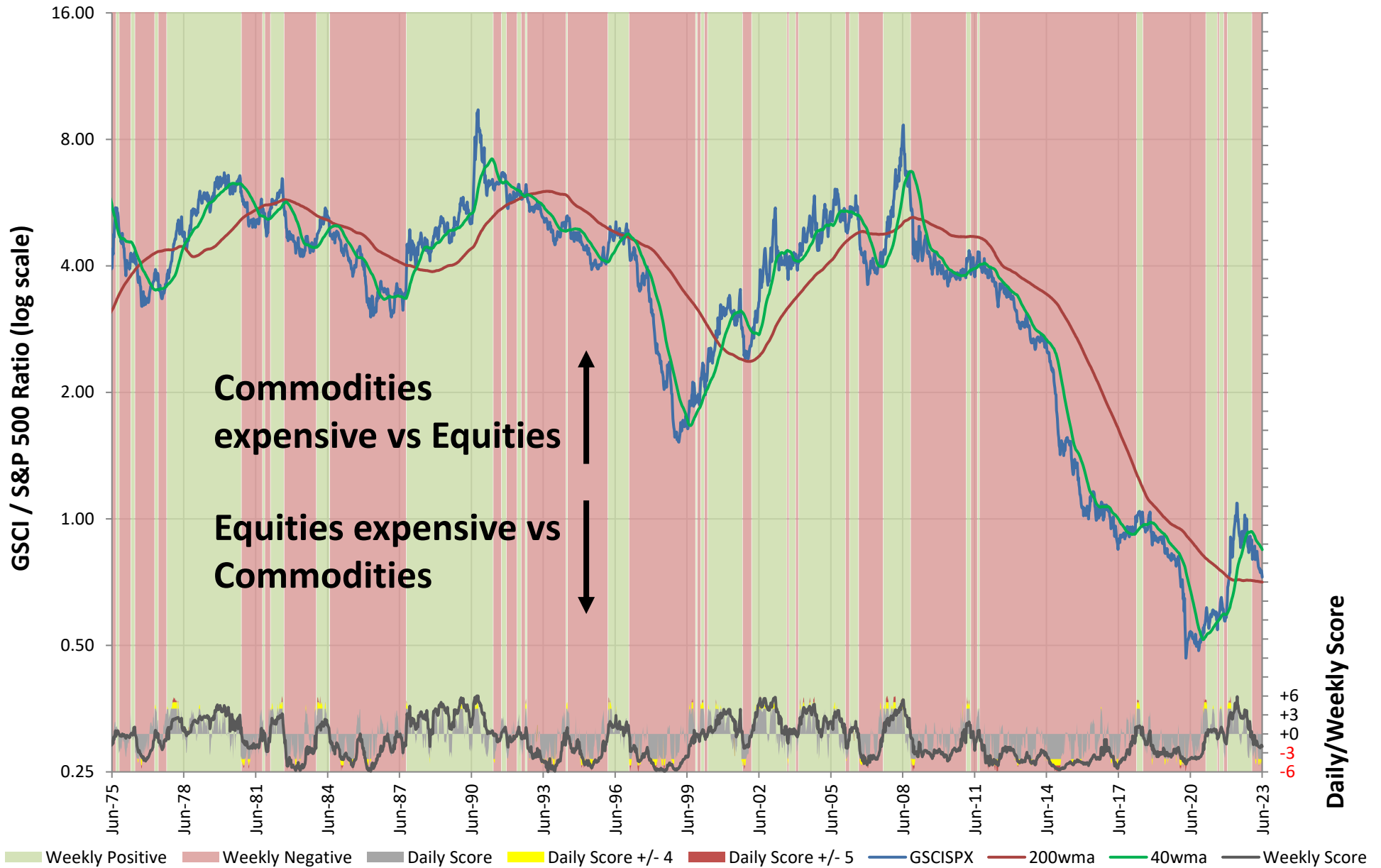
Goldman Sachs Commodity Index – Red/Green Treatment



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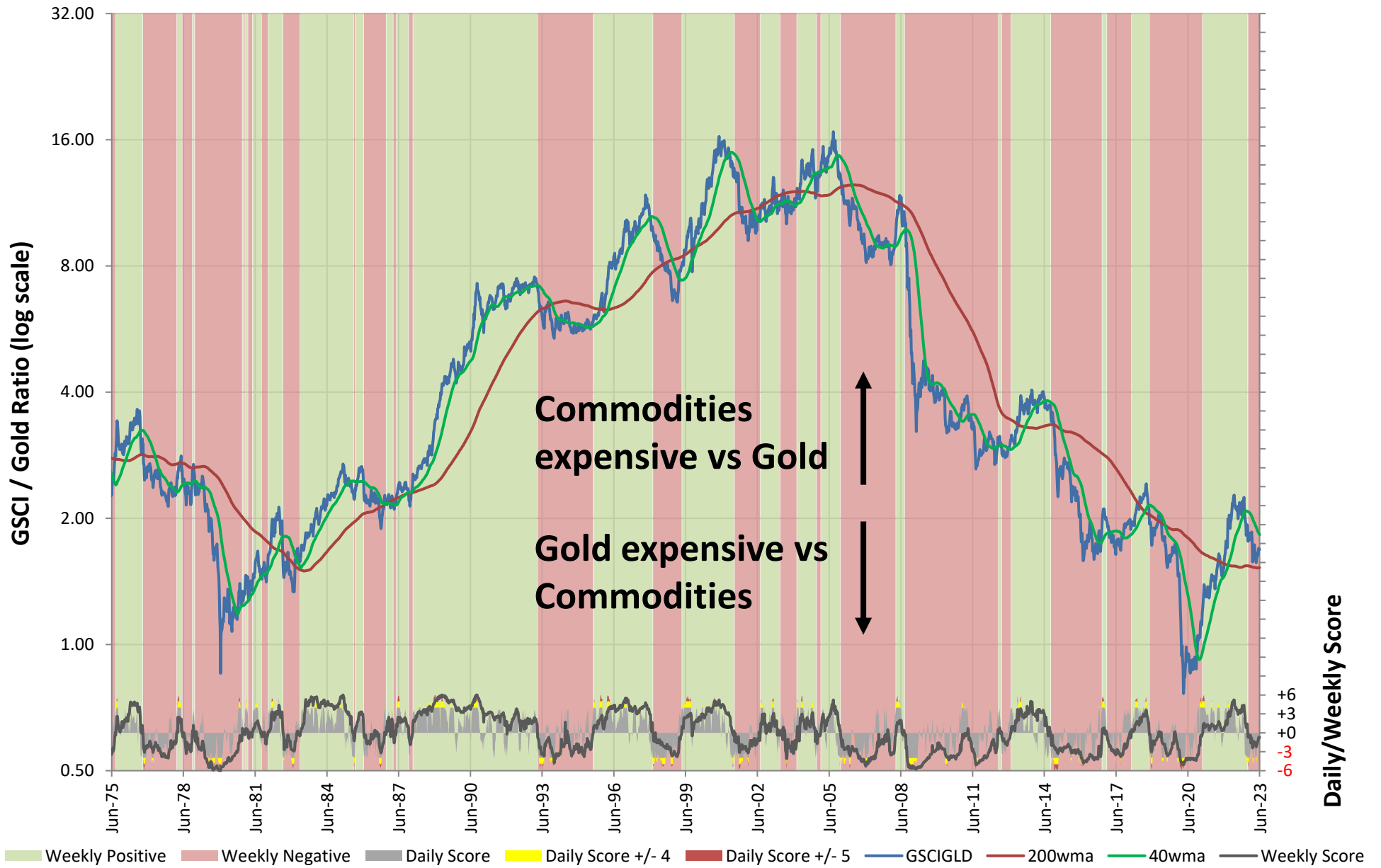
GSCI / S&P 500 Ratio (log scale) – Red/Green Treatment



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GSCI / Gold Ratio (log scale) – Red/Green Treatment



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Now

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