



MKS PAMP
GROUP

Daily Asia Wrap - 16th October 2019



Range Asian Hours
(from Globex open)

	GOLD	SILVER	PLATINUM	PALLADIUM
OPEN	1480.90/30	17.42/45	884/86	1734/39
HIGH	1484.40/80	17.46/49	886/88	1736/41
LOW	1480.50/90	17.37/40	882/84	1732/37
LAST	1483.10/50	17.44/47	886/88	1735/40

MARKETS/MACRO

US equities were higher as markets react to Brexit optimism. The Dow added 237.44 points, or 0.89%, to 27,024.80, the S&P 500 rose 29.53 points, or 1.00%, to 2,995.68, while the Nasdaq gained 100.06 points, or 1.24%, to 8,148.71. Wins for healthcare (+1.76%) and communications (+1.62%) led a near broad advance in the markets. European equities were higher, the EuroSTOXX advanced 4.33 points, or 1.11%, to 394.02, the German DAX put on 143.23 points, or 1.15%, to 12,629.79, and the London FTSE 100 edged lower 1.81 points, or 0.03%, to 7,211.64. In the currencies, the US dollar index eased 0.12% to 98.31, the EUR traded up to 1.1040, while USD/JPY was up at 108.88. US treasury yields were higher, the 2 year yield added 6.7 bps to 1.626% while the 10 year yield firmed 8.7 bps to 1.775%. Oil prices were lower, Brent lost 0.1% to \$58.84 while WTI fell 0.6% to \$52.89. Base metals mostly higher, with nickel (+2.7%) leading the gains. In Asia today, as I write the Nikkei is at +1.52%, the Shanghai composite is at -0.23%, the Hang Seng is at +0.04%, and the ASX S&P 200 is at +1.16%. Tonight we have retail sales, business inventories, and the home builders index out of the US; and inflation figures and balance of trade out of the eurozone.

PRECIOUS

Soft session for the precious a hopeful Brexit headlines and US-China trade optimism weigh on the markets. Gold traded \$1490-95 through Asian hours in light trading. The onshore SGE premium eased

slightly to \$5-6. The metal traded up to the session high \$1497 during the London AM session. Heavy sell off in early NY trading saw gold drop to the day's low \$1477 as markets turn risk on. The yellow metal hovered around the \$1480 level for the remainder of the session before closing at \$1481. Silver lost over 2% to 17.35. Palladium bucked the trend and rose to another fresh record at \$1737. The Philadelphia gold and silver index lost 2.71%. SPDR gold trust holdings were down 0.22% to 919.66 metric tonnes. In Asia today, gold is trading between \$1480-85 with the SGE premium slightly lower at \$4-5 over the loco London price. The yellow metal is sitting at \$1483.10 as I write. Silver dipped early but is back around the opening level at \$17.44 as I write. Have a good day ahead.

Although the information in this report has been obtained from and is based upon sources MKS believes to be reliable, we do not guarantee its accuracy and it may be incomplete or condensed. All opinions and estimates constitute MKS' judgment as of the date of this report and are subject to change without notice. This report is for informational purposes only and is not intended as investment advice, offer or solicitation for the purchase or sale of an investment. This report does not consider or take into account the investment objectives or financial situation of a particular party.