



MKS PAMP
GROUP

Daily Asia Wrap - 18th July 2019



Range Asian Hours
(from Globex open)

	GOLD	SILVER	PLATINUM	PALLADIUM
OPEN	1426.50/90	15.97/00	846/48	1535/41
HIGH	1427.00/40	16.11/14	850/52	1547/53
LOW	1419.50/90	15.93/96	844/46	1535/41
LAST	1422.10/50	16.05/08	849/51	1547/53

MARKETS/MACRO

US equities closed near the lows as markets turned risk-off on mixed earning results. The Dow lost 115.78 points, or 0.42%, to 27,219.85, the S&P 500 fell 19.62 points, or 0.65%, to 2,984.42, while the Nasdaq shed 37.59 points, or 0.46%, to 8,185.21. Sharp losses in industrials (-2.17%) and energy (-1.15%) led a near broad decline in the markets. European equities were lower, the EuroSTOXX gave up 0.144 points, or 0.37%, to 387.66, the German DAX fell 89.94 points, or 0.72%, to 12,341.03, and the London FTSE 100 slipped 41.74 points, or 0.55%, to 7,535.46. In the currencies, the US dollar index eased 0.20% to 97.18, the EUR traded up to 1.1232, while USD/JPY was down to 107.91. US treasury yields were lower also, the 2 year yield dropped 3.7 bps to 1.809% while the 10 year yield shed 5.6 bps to 2.042%. Oil prices were lower despite supportive inventory numbers out of the US, Brent sold off 1.9% to \$63.36 while WTI fell 2.3% to \$56.39. Base metals were mostly lower, but nickel (+2.7%) bucked the trend with an impressive gain. In US economic data, housing starts fell 0.9% to an annual rate of 1.25 million in June, while building permits dropped 6.1% to a 1.22 million annual pace. In Asia today, as I write the Nikkei is at -1.82%, the Shanghai composite is at -0.81%, the Hang Seng is at -0.62%, and the ASX S&P 200 is at -0.57%. Tonight we have weekly jobless claims, leading economic indicators, and the Philly Fed index; and the ECB interest rate decision out of the Eurozone.

PRECIOUS

Big session for the precious as weak US dollar and easing bond yields see gold and silver post solid gains. Gold opened at \$1405 remained quiet through Asian hours with the SGE premium steady at \$12-13. The market softened a little during the London AM session as the metal tested the \$1400 support. NY were on the bid from the start and pushed gold through the \$1420 resistance in the first few trading hours. A grind higher through the afternoon saw the yellow metal finish the day at the session high \$1428, the highest close in 5 years. Silver continued its winning run, climbing almost 3% on the day to test \$16. Platinum remains held by resistance at \$850 while palladium held support at \$1520. The Philadelphia gold and silver index climbed 3.80 to 89.26. The SPDR Gold Trust holdings fell 0.15% to 803.14 metric tonnes. In Asia today, gold has come off the highs but still hanging in above \$1420. The onshore SGE premium eased slightly to \$10-11 over loco London. The yellow metal is at \$1422.10 as I write. Silver has pushed through \$16 as the grey metal continues to find support, the metal is currently sitting at \$16.05. Have a good day ahead.

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