



MKS PAMP GROUP

Daily Asia Wrap

24th June 2019

Range Asian Hours
(from Globex open)

	GOLD	SILVER	PLATINUM	PALLADIUM
OPEN	1399.80/00	15.35/37	810/12	1504/08
HIGH	1411.20/40	15.40/42	814/16	1517/21
LOW	1399.80/00	15.33/35	808/10	1504/08
LAST	1403.50/70	15.35/37	813/15	1517/21

MARKETS/MACRO

Stocks in the U.S. finished modestly lower on Friday as tensions between the U.S. and Iran remained heightened, while participants also looked ahead to the upcoming meeting between President Trump and President Xi Jinping. The DJIA eased -0.13% to 26,719.13 points, declines to industrials (-0.51%) and technology (-0.46%) saw the S&P 500 also ease -0.13% to 2,950.46 points, while the tech-laden Nasdaq Composite finished down -0.24% at 8,031.707 points. All three benchmarks finished the session higher for a third consecutive week as the S&P gained +2.2%, the DJIA added +2.4% and the Nasdaq Composite popped +3%. The greenback remained under pressure on Friday (DXY -0.4%), although ended relatively unmoved against the safe-haven yen. The dollar lost ground to the euro (+0.66%) and the pound (+0.32%), while the safe-haven Swiss franc added +0.57%. On the data front, Markit reported its flash manufacturing PMI for June fell to 50.1 (exp: 50.5) from 50.5 in May, marking the softest read since September 2009. Meanwhile the Markit services PMI print eased to 50.7 (exp: 51.0) from 50.9 to mark the weakest print since March 2016. U.S. existing home sales increased +2.5% MoM during May (exp: +2.1%) from a flat read previously, seeing the annualised rate to 5.34 million. Stocks across Europe declined amid escalating tensions between the U.S. and Iran, erasing early session gains during the afternoon. The Stoxx Europe 600 ended trade -0.36% lower at 384.76 points, the German Dax eased -0.13% to 12,339.92 points and in London the FTSE 100 slipped -0.24% to 7,407.50 points.

PRECIOUS

Gold continued to find favour during early Asian trade today, opening to a firm bid tone above USD \$1,400 and extending gains into the Shanghai open as macro names looked to position themselves for a further leg higher. The yellow metal strengthened to a USD \$1,411.20 session high in early Chinese trade, however failed to capture Friday's high print as fast money sellers wrestled back control. The premium in Shanghai tailed off marginally toward USD \$14 as USD/CNH pushed higher, however remained buoyant to underpin downside moves in spot. The latest CFTC data shows a strong build in long positioning consistent with



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what we have been seeing in price action, with further length expected to have been added at the back-end of last week. Resistance levels remain evident toward the recent high at USD \$1,412, with extension to USD \$1,420. Supportive interest sits just underneath USD \$1,400, while key levels sit broadly toward USD \$1,380 - \$1,375. Data today includes German IFO results, the Chicago Fed Nat activity index and the Dallas Fed Manufacturing index.

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