



MKS PAMP
GROUP

Daily Asia Wrap - 5th September 2019



Range Asian Hours
(from Globex open)

	GOLD	SILVER	PLATINUM	PALLADIUM
OPEN	1551.30/70	19.52/55	985/88	1556/61
HIGH	1552.00/40	19.54/57	996/999	1560/65
LOW	1542.00/40	19.30/33	980/83	1553/58
LAST	1545.80/20	19.44/47	984/87	1556/61

MARKETS/MACRO

US equities rallied on Wednesday as tensions eased in Hong Kong. The Dow added 237.45 points, or 0.91%, to 26,355.47, the S&P 500 rose 31.51 points, or 1.08%, to 2,937.78, while the Nasdaq gained 102.72 points, or 1.30%, to 7,976.88. Wins for tech (+1.71%) and communications (+1.61%) led a broad advance in the markets. European equities were higher, the EuroSTOXX advanced 3.37 points, or 0.89%, to 383.18, the German DAX put on 114.18 points, or 0.96%, to 12,025.04, and the London FTSE 100 rose 43.07 points, or 0.59%, to 7,311.26. In the currencies, the US dollar index eased 0.56% to 98.40, the EUR traded up to 1.1036, while USD/JPY firmed to 106.37. US treasury yields were lower, the 2 year yield eased 2.2 bps to 1.434% while the 10 year yield shed 0.3 bps to 1.469%. Oil prices were higher, Brent rose 3.5% to \$60.55 while WTI added 3.4% to \$56.06. Base metals were broadly higher, with zinc (+4.8%) leading the others higher. In US economic data, the trade deficit fell 3% to \$54 billion in July. Exports rose 0.6% while imports fell 0.1%. In Asia today, as I write the Nikkei is at +2.34%, the Shanghai composite is at +1.56%, the Hang Seng is at +0.38%, and the ASX S&P 200 is at +0.67%. Tonight we have weekly jobless claims, Markit services PMI, the ISM non-manufacturing index, and factory orders.

PRECIOUS

Gold tested \$1550 in early Asian trading before drifting lower. The onshore SGE index was firmer at

\$12-13 over the loco London price. The \$1534 support held on couple of occasions during the London AM session. NY was on the bid from the opening bell as the greenback came off, the yellow metal traded up to \$1547 before spending a few hours consolidating, this was followed by an afternoon push through the \$1550 resistance to the session high \$1556. Gold ended the day ahead at \$1552. Silver continued to find support at the opening \$19.20 level before trading up to the high of \$19.60 in NY. It was a strong session for the PGMs, with platinum in particular adding \$25 to finish at \$984. The Philadelphia gold and silver index rose 1.55%. In Asia today, gold opened at \$1551.30 and drifted lower from there as USD/JPY firms. The SGE premium has eased to \$9-10 over the loco London price. The yellow metal is at \$1545.80 as I write. Silver has retreated from yesterdays highs, the grey metal is currently sitting at 19.44. In the PGMS, platinum tested the psychological \$1000 level earlier today and was soundly rejected. Have a good day ahead.

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