



MKS PAMP GROUP

Asia Market Update

3rd May 2019

Range Asian Hours
(from Globex open)

	GOLD	SILVER	PLATINUM	PALLADIUM
OPEN	1270.60/80	14.62/64	850/52	1356/58
HIGH	1272.50/70	14.65/67	852/54	1358/60
LOW	1270.20/40	14.60/62	845/47	1350/52
LAST	1271.10/30	14.63/65	851/53	1352/54

MARKETS/MACRO

Stocks in the U.S. eased on Thursday as investors continue to consider Wednesday's comments from Federal Reserve Chairman Jerome Powell. The DJIA declined -0.46% to 26,307.79 points, weakness across, technology (-0.54%) and energy (-1.71%) dragged the S&P 500 -0.21% lower to 2,917.52 points, while the Nasdaq Composite eased -0.16% to 8,036.773 points. On the data front, initial jobless claims in the U.S. held unchanged during the week ended April 27, sitting at 230k (exp: 215k) to see the four-week moving average increase 6,500 to 212,500. Continuing claims for the week ended April 20 increased by 17k to 1.671 million (exp: 1.66 million). Factory orders in the U.S. rebounded +1.9% MoM (exp: +1.6%) during March to mark the largest rise since August 2018. Inventories at factories increased +0.4% in March, increasing for the 28th time in the last 29 months. Durable goods orders in the U.S. increased +2.6% MoM during March, while orders excluding transportation firmed +0.3% MoM (exp: +0.4%) and the closely watched capital goods orders non-defence ex-air gained +1.4%. The greenback found favor once again on Thursday to consolidate post-FOMC gains, seeing the DXY index +0.22% higher. The buck made ground against the euro (EUR/USD -0.22%) and the pound (GBP/USD -0.11%), while holding relatively unchanged against the safe-haven yen.

PRECIOUS

A muted session across the precious complex in Asia today with both Japan and China on leave. Participants instead turned focus to the U.S. payrolls print due later today, happy to sit on the sidelines leading into the release as the post-FOMC moves continue to filter through markets. Following a brief test underneath USD \$1,270 in New York on Thursday, gold saw supportive price action around the level during Asian hours today as fast money looked to take advantage of the recent declines, while ETF outflows have dried up to release some of the recent downward pressure. The yellow metal has failed to benefit from recent weakness across global equities as the greenback firms, however that being said, the downside potential for the metal looks to be limited. Supportive interest is evident toward USD \$1,265 over the near-term, while a break below this level shouldn't extend further than the 200 DMA at USD \$1,253 and the psychological USD \$1,250. Broad top-side resistance sits around USD \$1,285 - \$1,280, while both the 50 DMA and 100 DMA converge around USD \$1,294. Recent weakness to silver has seen the metal extend to a near five-month low and we look to USD \$14.50 as the key near-term pivot, while extension below this level could ultimately see a move as far as USD \$14.00. With regards to the white metals, palladium's volatility has eased in recent session as the metal looks to base around USD \$1,350, while platinum has extended recent declines and is testing toward the late March/early April support at USD \$850. All eyes tonight on the U.S. NFP print and unemployment rate, while we also see U.K. market



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services / composite PMI prints, Eurozone CPI, U.S. wholesale inventories, U.S. Markit services / composite PMI prints and the ISM non-manufacturing figure.

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