



MKS PAMP GROUP
Asia Market Update
10th December 2018

Range Asian Hours
(from Globex open)

	GOLD	SILVER	PLATINUM	PALLADIUM
OPEN	1249.40/60	14.63/65	793/95	1223/28
HIGH	1250.90/10	14.64/66	794/96	1223/28
LOW	1247.20/40	14.57/59	791/93	1220/25
LAST	1249.10/30	14.59/61	792/94	1221/26

MARKETS/MACRO

Payrolls data released out of the U.S. on Friday showed 155,000 jobs added during November (exp: 198,000), following a downwardly revised 237,000 during October (prev: 250,000). The print saw the unemployment rate hold at 3.7% to be in line with expectations, while the underemployment rate ticked higher to 7.6% from 7.4% previously. Average hourly earnings edged +0.2% MoM higher to see the annualised figure hold at +3.1%, while the average work week slipped 0.1 hours lower to 34.4 hours. Wholesale inventories in the U.S. increased +0.8% MoM during October, outpacing a +0.7% initial estimate. The University of Michigan's gauge of consumer sentiment in the U.S. held unchanged at 97.5 during December. Equities in the U.S. saw further weakness on Friday on the back of lingering trade concerns. The DJIA ended -2.24% lower at 24,388.95 points as each of the bourse's 30 components ended lower, while consumer discretionary stocks (-3.07%) led 10 of eleven sectors of the S&P 500 down to see the bourse off -2.33% to 2,633.08 points. On a weekly basis, the DJIA tumbled -4.5% and the S&P 500 collapsed -4.6%, both marking the largest weekly declines since March and seeing both bourse's into negative territory for 2018. The greenback eased modestly on Friday following the U.S. payrolls report, notably losing ground to the euro (+0.25%) as Eurozone GDP printed generally in-line with expectations at +0.2% QoQ (exp: +0.2%) and +1.6% YoY (exp: +1.7%).

PRECIOUS

A relatively sedate session for the precious complex during Asian trade on Monday, seeing bullion edge above USD \$1,250 on multiple occasions throughout the session, however lacking the follow through interest required to consolidate above the figure. A sharp move through USD \$1,250 in early session trade saw the session high of USD \$1,250.90 printed, while gains were pared heading into the Chinese open as the early the bid tone was soon exhausted. Weakness across USD/China around the Shanghai open underpinned a modest recovery to the yellow metal, once again briefly moving above USD \$1,250, before drifting a few dollars lower in afternoon pricing. The USD \$1,250 pivot remains in play and should create a support for gold should the greenback weakness persist, with top-side targets extending toward the 200DMA around USD \$1,255. Silver remains buoyant above USD \$14.50 and sees targets extent through to the recent high prints around USD \$14.85 - \$14.90 from mid-October and early November. Data today includes German imports / exports, U.K. trade balance, U.K. industrial / manufacturing production and U.S. JOLTS job opening.



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