



## MKS PAMP GROUP

### Daily Asia Wrap

10<sup>th</sup> October 2018

Range Asian Hours  
(from Globex open)

	GOLD	SILVER	PLATINUM	PALLADIUM
<b>OPEN</b>	1189.20/60	14.38/41	823/26	1070/72
<b>HIGH</b>	1191.10/50	14.41/44	826/29	1073/76
<b>LOW</b>	1188.30/70	14.33/36	820/23	1069/71
<b>LAST</b>	1189.50/90	14.35/38	823/26	1071/73

#### MARKETS/MACRO

US equities were mostly lower after a more stable session. The Dow lost 56.21 points, or 0.21%, to 26,430.57, the S&P 500 fell 4.09 points, or 0.14%, to 2,880.34, while the Nasdaq crept up 2.07 points, or 0.03%, to 7,738.020. There were wins for energy (+0.99%) and utilities (+0.42%) while heavy losses in materials (-3.40%) and industrials (-1.51%) weighed on the markets. European equities were higher after a volatile session as Italian budget issues reverberate through the markets, the EuroSTOXX added 0.72 points, or 0.19%, to 372.93, the German DAX rose 30.06 points, or 0.25%, to 11,977.22, and the London FTSE 100 inched higher 4.26 points, or 0.06%, to 7,237.59. There was volatility in the currencies too as the swing in Italian bond yields hit the EUR. The US dollar index eased 0.10% to 95.675 despite spiking up to 96.141 during the day. The EUR dipped to 1.1431 before recovering to 1.150, while USD/JPY traded down to 112.91. US treasury yields were mixed, the 2 year yield firmed 1.7 bps to 2.89% while the 10 year yield lost 3.4 bps to 3.20%. Oil prices were higher, Brent rose 0.6% to \$84.93 while WTI increased 0.3% to \$74.89. Base metals were mostly higher as nickel (+3.5%) led the gains. In US economic data, the NFIB small business index fell 0.9 points to a seasonally adjusted 107.9 in September. In Asia today, as I write the Nikkei is at -0.27%, the Shanghai composite is at -0.27%, the Hang Seng is at +0.57%, and the ASX S&P 200 is at +0.05%. Tonight we have producer price index and wholesale inventories out of the US.

#### PRECIOUS

Gold opened at \$1188 and traded a tight \$4 range during Asian hours. We saw high volume traded on the Tocom open as the Japanese return after Monday's holiday. The SGE premium was around \$7-8 and gold traded to a session high \$1191. London sold the metal to \$1185 during the AM session as the EUR was sold off. Gold dropped to yesterday's low of \$1183 but rebounded quickly, the metal reached \$1190 once again as the EUR recovered against the USD. The yellow metal closed the session all but flat at \$1189. Silver bottomed out at \$14.26 before finishing ahead at \$14.37. PGMs were flat, with platinum rebounding strongly after an early dip. The Philadelphia gold and silver index lost 1.59%. The SPDR Gold Trust holdings were unchanged at 703.17 metric tonnes. Fairly quiet trading in Asia today, gold opened at \$1189.20 and was as high as \$1191.10 with the SGE premium steady at \$7-8 over loco London. The yellow metal is at \$1189.50 as I write. Silver is trading sideways, the grey metal is currently sitting at \$14.35. No movement in the PGMs. Have a good day ahead.



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