



MKS PAMP GROUP
Asia Market Update
19th February 2019

Range Asian Hours
(from Globex open)

	GOLD	SILVER	PLATINUM	PALLADIUM
OPEN	1326.10/30	15.80/82	806/08	1455/60
HIGH	1326.50/70	15.82/84	810/12	1474/79
LOW	1323.70/90	15.75/77	805/07	1455/60
LAST	1325.10/30	15.80/82	808/10	1470/75

MARKETS/MACRO

A quiet session to kick off the week on Monday with the U.S. taking leave for the Presidents' Day holiday. Currency majors remained range bound, with the dollar easing just -0.02% as the euro held above 1.1300 despite headlines regarding potential auto tariffs between the U.S. and Europe following a U.S. Commerce Department report. In the U.K. seven members of the Labour have quit the opposition over its approach to Brexit and antisemitism. While only a small fraction of Labour's 256 sitting members, it is still the most significant split since four senior members quit in 1981 to form the Social Democratic Party. The MP's will remain in parliament as independents. In London the FTSE 100 eased -0.24% to 7,219.47 points, with the pound marginally firmer and volumes lighter amid the U.S. holiday. European stocks ended modestly mixed as participants remained focused on U.S. – China trade negotiations, in addition to considering the implications of the U.S. Commerce Department report on European autos. The Stoxx Europe 600 added +0.23% to 369.78 points, while the German Dax eased just -0.01% to 11,299.20 points.

PRECIOUS

Bullion remained firm during Asian trade today to consolidate Monday's late European move above USD \$1,325. Although finishing off the session high of USD \$1,327.85 overnight, the yellow metal remained robust in Asia, continuing to see a Chinese premium toward USD \$10 to support pricing. A mild bid bias to the dollar saw gold test USD \$1,324.00 in early Shanghai pricing as USD/China firmed, however declines were restricted to see the metal trade around USD \$1,324 - \$1,325 throughout the remainder of the session. Geopolitical uncertainty in the U.K and Europe, coupled with ongoing U.S. – China trade disputes should continue to see investor interest in the precious, while the potential for a pause to U.S. rate rises weighs upon the greenback. Near-term targets extend through USD \$1,330, with a view of a move toward the 2018 double top around USD \$1,365. News out of the U.S. this afternoon that a coalition of 16 U.S. states led by California is suing President Trump's administration over the decision to declare a national emergency. The Californian Attorney-General, Xavier Becerra said the suit alleges the Trump administration's action violates the constitution. The U.S. returns today from the Presidents' Day holiday to see the NAHB housing market index print, while out of the U.K. we see jobs data and Germany gives us the ZEW survey results.



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