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Asia Market Update

25th March 2019

Range Asian Hours
(from Globex open)

	GOLD	SILVER	PLATINUM	PALLADIUM
OPEN	1313.10/30	15.43/45	849/51	1558/63
HIGH	1317.20/40	15.48/50	850/52	1558/63
LOW	1311.40/60	15.39/41	841/43	1546/51
LAST	1316.20/40	15.44/46	849/51	1553/58

MARKETS/MACRO

Special counsel Robert Mueller's investigation into Russian involvement in the 2016 U.S. presidential election has not found that any member of President Trump's election campaign conspired with Russia. While White House spokeswoman Sarah Sanders said the Department of Justice's findings were a "total and complete exoneration of the President of the United States", House Speaker Nancy Pelosi and Senate Democratic Leader Chuck Schumer released a joint statement noting that special counsel Mueller's report does not exonerate the President. Ms Pelosi and Mr Schumer have called for the full report to be released to Congress.

Stocks in the U.S. closed sharply lower on Friday on the back of further global growth concerns, seeing the VIX volatility index surge over 20% to 16.48. The DJIA ended the session -1.77% down at 25,502.32 points, the largest single-session decline for the bourse since early January and taking the weekly result to -1.3%. The S&P 500 (-1.90%) saw declines to financials (-2.77%) and energy (-2.62%) lead each of the bourse's component into negative territory, finishing the week at 2,800.71 points for a -0.8% weekly fall, while the Nasdaq Composite tanked -2.50% on Friday to 7,642.667 points, a -0.6% decline on the week. Investors flocked into bonds as equity markets tumbled, seeing the spread between the three-month bill and the 10-year note invert for the first time since 2007. The greenback firmed on Friday amid developments in the bond market and soft European data. The euro (-0.67%) moved sharply lower following a number of weaker than expected European PMI prints, while the yen saw safe-haven flows to add close to +0.8% against the dollar.

PRECIOUS

Gold remained firm during Asian hours today, continuing to benefit from a broad-based flight out of equity markets into safe-haven assets. Friday's dollar strength tempered during Asian trade on Monday as the greenback tracked sideways within a narrow range. Regional equities followed U.S. and European bourses lower today to underpin a bid tone across the precious complex, as bids towards USD \$1,311 restricted early session declines, before Chinese demand took gold higher. The on-shore premium in Shanghai remained buoyant toward USD \$13 to support interest in spot, moving above USD \$1,315 in early session trade and consolidating above figure throughout the afternoon. Gold vols have pushed higher in recent sessions, with 1m toward 9.15 and 3m above 9.60 as bullion sees volatility amid softer global equity markets, while ETF's recorded further inflows on Friday to bolster prices, adding around 80k ounces as a result of movement into U.S. based funds. Expect bullion to see resistance around USD \$1,320, however a move through this level will open further top-side gains with extension toward USD



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\$1,346. Supportive pricing remains evident around USD \$1,311 and below this USD \$1,300. Data today includes German IFO results and the Dallas Fed manufacturing activity print.

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