



MKS PAMP GROUP
Asia Market Update
27th February 2019

Range Asian Hours
(from Globex open)

	GOLD	SILVER	PLATINUM	PALLADIUM
OPEN	1328.60/80	15.89/91	860/62	1562/67
HIGH	1329.70/90	15.93/95	862/64	1562/67
LOW	1326.90/10	15.86/88	860/62	1552/57
LAST	1328.10/30	15.86/88	862/64	1553/58

MARKETS/MACRO

Stocks in the U.S. posted modest declines on Tuesday, oscillating between positive and negative territory as Federal Reserve Chairman Jerome Powell faced the Senate Banking Committee. The DJIA eased -0.13% to 26,057.98 points, the S&P 500 declined -0.08% to 2,793.90 points and the Nasdaq Composite shed -0.07% to 7,549.297 points. Housing starts in the U.S. collapsed to a more than two-year low during December, down -11.2% MoM (exp: -0.1%) from a negatively revised +0.4% in November (prev: +3.2%). The monthly print saw starts to a seasonally adjusted annual rate of 1.078 million units, while building permits outpaced expectations to edge +0.3% MoM higher (exp: -2.6%). Meanwhile S&P/Case-Shiller reported that house prices in the U.S. increased +4.18% YoY (20-city metro), the smallest gain since November 2014. The Conference Board's measure of consumer confidence in the U.S. pushed higher during February, increasing to 131.4 (exp: 124.9) from 121.7 previously. Volatility across financial market and the Government shutdown were largely responsible for the previous months' decline.

PRECIOUS

A mixed and stunted session for the precious complex during Asian trade today, interrupted somewhat during Shanghai hours by a CME outage. The CME was hit with a technical issue around the Chinese open, forcing the exchange to halt pricing in precious metals for around two-and-a-half-hours. Spot pricing was available during the outage, however saw wider spreads than usual and as a result flows were heavily reduced. The market re-opened with an offered bias, pulling away from the USD \$1,330 pivot and testing toward USD \$1,327 during the afternoon, with the yellow metal still relegated to the recent USD \$1,325 - \$1,330 range. Expectations of positive trade news out of U.S. – China negotiations should see equity markets supported over the near-term and potentially weigh upon bullion, however global growth concerns, the U.S. – North Korea summit and Brexit remain risk events, underpinning bullion, or at the very least providing supportive interest toward USD \$1,320 - \$1,325. Resistance levels centre upon the USD \$1,330 pivot, extending to targets at USD \$1,335 - \$1,346. Data today includes U.S. wholesale inventories, U.S. factory orders and U.S. durable goods orders.

Although the information in this report has been obtained from and is based upon sources MKS believes to be reliable, we do not guarantee its accuracy and it may be incomplete or condensed. All opinions and estimates constitute MKS' judgment as of the date of this report and are subject to change without notice. This report is for informational purposes only and is not intended as investment advice, offer or solicitation for the purchase or sale of an investment. This report does not consider or take into account the investment objectives or financial situation of a particular party.