



MKS PAMP GROUP

Daily Asia Wrap

23rd April 2018

Range Asian Hours
(from Globex open)

	GOLD	SILVER	PLATINUM	PALLADIUM
OPEN	1334.90/30	17.10/13	926/29	1028/30
HIGH	1334.90/30	17.10/13	926/29	1032/34
LOW	1332.20/60	17.00/03	921/24	1027/20
LAST	1333.50/90	17.09/12	926/29	1032/34

MARKETS/MACRO

US equities were lower Friday as the 10 year US treasury yield reached a 4 year high and a heavy loss for Apple dragged the tech sector lower. The Dow lost 201.95 points, or 0.82%, to 24,462.94, the S&P 500 fell 22.99 points, or 0.85% to 2,670.14, while the Nasdaq slipped 91.930 points, or 1.27%, to 7,146.126. Consumer staples (-1.68%) and tech (-1.51%) weighed heaviest on the markets. European equities were mixed, the EuroSTOXX edged lower 0.11 points, or 0.03%, to 381.84, the German DAX shed 26.92 points, or 0.21%, to 12,540.50, and the London FTSE 100 added 39.25 points, or 0.54%, to 7,368.17. In the currencies, the US dollar index rallied 0.42% to 90.316, the EUR traded down to 1.2265, while USD/JPY climbed to 107.79. US treasury yields were higher, the 2 year yield firmed 2.98 bps to 2.4573% and the 10 year yield rose 5.04 bps to 2.9602%. Oil prices were higher, Brent rose 0.38% to \$74.06 while WTI firmed 0.10% to \$68.40. Base metals were mixed, with nickel (-1.63%) making the biggest move. There was no significant economic data released on Friday. In Asia today, as I write the Nikkei is at -0.28%, the Shanghai composite is at -0.14%, the Hang Seng at -0.34%, and the ASX S&P 200 is at +0.30%. Tonight we have the Chicago Fed national activity index, Markit manufacturing PMI (flash), Markit services PMI (flash), and existing home sales out of the US; and Markit services & manufacturing PMI (flash) out of the Eurozone.

PRECIOUS

A soft session as rising treasury yields and a US dollar rally put pressure on the precious complex. Gold opened at \$1345 in Asia and drifted lower through day as the greenback firmed against the yen. The SGE premium was around \$8 over loco London, which helped support the market at around \$1341. Gold remained mostly within the \$1340-43 range during the London AM session. The yellow metal was sold to the session low \$1334 early in NY trading as the EUR dropped below 1.23. After a brief rebound but unconvincing rebound, gold finished the day around the lows. Silver was on the offer early but appeared to find some support ahead of the \$17 level, the grey metal finishing at \$17.11. It was a volatile session for palladium, the metal shed \$20 to a low of \$1012 before surging to a high of \$1039 in NY trading. The Philadelphia gold and silver index lost 0.65%. The SPDR gold trust holdings were unchanged at 865.69 metric tonnes. In Asia today, gold has been range-bound between \$1332-34 with the market fairly quiet. The SGE premium remains around \$8 over loco London, The yellow metal is at 1333.50 as I write. Silver tested the technical \$17 level earlier in the day and found buyers once again. The grey metal is at \$17.09 as I write. PGMs are trading sideways. Gold is sitting just above the the 55 DMA at \$1331, and should find support at the April lows around \$1321 below that. On the upside, expect plenty of buyers above \$1340. Have a good day ahead.

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