



## MKS PAMP GROUP

### Daily Asia Wrap

5<sup>th</sup> October 2018

Range Asian Hours  
(from Globex open)

	<b>GOLD</b>	<b>SILVER</b>	<b>PLATINUM</b>	<b>PALLADIUM</b>
<b>OPEN</b>	1199.50/90	14.58/61	823/26	1057/59
<b>HIGH</b>	1200.10/50	14.60/63	826/29	1059/61
<b>LOW</b>	1197.50/90	14.50/53	819/22	1053/55
<b>LAST</b>	1198.00/40	14.52/55	823/26	1054/56

#### MARKETS/MACRO

US equities were lower as Fed Chair Powell's hawkish comments continue to impact on the markets. The Dow lost 200.91 points, or 0.75%, to 26,627.48, the S&P 500 fell 9.56 points, or 0.82%, to 2,901.61, while the Nasdaq shed 145.58 points, or 1.81%, to 7,879.510. Financials (+0.71%) outperformed while tech (-1.78%), consumer discretionary (-1.60%), and communication (-1.48%) weighed heavily on the markets. European equities were lower, the EuroSTOXX sold off 4.16 points, or 1.08%, to 379.68, the German DAX gave back 43.44 points, or 0.35%, to 12,244.14, and the London FTSE 100 declined 91.94 points, or 1.22%, to 7,418.34. In the currencies, the US dollar index fell 0.25% to 95.764, the EUR traded up to 1.1532, while USD/JPY was as low as 113.65. US treasury yields were lower, the 2 year yield eased 2.5 bps to 2.87% while the 10 year yield lost 3.2 bps to 3.19%. Oil prices were lower as US inventories increase, Brent sold off 1.5% to \$84.79 while WTI dumped 2.2% to \$74.58. Base metals were mixed, with nickel (-2.2%) the big mover. In US economic data, factory orders rose 2.3% in August following a downwardly revised 0.5% decline in July, the figure marks an 11 month high. Initial jobless claims fell 8k to 207k in the week ending Sep 29, continuing claims fell by 13k to 1.65 million. In Asia today, as I write the Nikkei is at -0.58%, the Shanghai composite is closed, the Hang Seng is at -0.31%, and the ASX S&P 200 is at +0.22%. All eyes on the US tonight for the NFP release, we also have unemployment rate, hourly earnings, trade deficit, and consumer credit out of the US; with industrial production coming out of the Eurozone.

#### PRECIOUS

A range-bound session on Thursday as the precious complex gives back early gains. Gold remained between \$1996-98 in quiet trading through Asian hours with Chinese still out of the action. London bought the metal briefly above \$1200 in the AM session. Gold took off just ahead of the NY open as the EUR traded through 1.15, the market reaching the peak of \$1206 after some choppy trading in early NY hours. Plenty of offers up above \$1205 saw the yellow metal retreat sharply to the opening levels in Asia. Gold picked up a couple dollars in late NY hours to close at \$1199. Silver reached a high of \$14.75 before giving back all the gains, the grey metal closed in the red at \$14.56. PGMs also gave up intraday gains to finish flat. The Philadelphia gold and silver index fell 0.34%. The SPDR Gold Trust holdings were unchanged at 731.64 metric tonnes. In Asia today, more light trading with the Chinese still out for holidays. Gold tested \$1200 a couple of times through the morning before drifting down to a low of



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\$1197.50. The yellow metal sits at 1198.00 as I write. Silver opened at \$14.58 and has traded within a 10c range today, the grey metal is currently at \$14.52. PGMs are flat. Have a good day ahead.

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