



## MKS PAMP GROUP

### Daily Asia Wrap

8<sup>th</sup> February 2019

Range Asian Hours  
(from Globex open)

	<b>GOLD</b>	<b>SILVER</b>	<b>PLATINUM</b>	<b>PALLADIUM</b>
<b>OPEN</b>	1310.40/80	15.74/77	798/01	1386/91
<b>HIGH</b>	1310.50/90	15.75/78	799/02	1390/95
<b>LOW</b>	1308.70/10	15.68/71	795/08	1381/86
<b>LAST</b>	1309.20/60	15.68/71	795/08	1382/87

#### MARKETS/MACRO

US equities were lower on Thursday on fresh concerns over the USD-China trade situation. A meeting between US President Trump and Chinese President Xi Jinping before the March trade deadline appears highly unlikely. The Dow lost 220.77 points, or 0.87%, to 25,169.53, the S&P 500 fell 25.56 points, or 0.94%, to 2,706.05, while the Nasdaq shed 86.93 points, or 1.18%, to 7,288.35. Utilities (+1.27%) had a win while energy (-2.13%) and tech (-1.44%) led the losses. European equities were lower as both the Bank of England and the EU downgraded growth forecasts, the EuroSTOXX fell 5.44 points, or 1.49%, to 360.08, the German DAX gave up 302.70 points, or 2.67%, to 11,022.02, and the London FTSE 100 lost 79.51 points, or 1.11%, to 7,093.58. In the currencies, the US dollar index firmed 0.16%, the EUR was as low as 1.1326, while USD/JPY traded down to 109.65. US treasury yields were lower, the 2 year yield eased 3.7 bps to 2.484% while the 10 year yield slipped 3.1 bps to 2.657%. Oil prices were lower on further concerns over demand, Brent sold off 1.3% to \$61.69 while WTI dropped 2.2% to \$52.67. Base metals came under pressure with copper and aluminium leading the losses. In US economic data, consumer credit rose by \$16.6 billion in December following a \$22 billion jump in November. Initial jobless claims fell by 9k to a seasonally adjusted 234k in the week ending February 2, continuing claims fell by 42k to 1.74M. In Asia today, as I write the Nikkei is at -1.77, the Shanghai composite is closed, the Hang Seng is at -0.49%, and the ASX S&P 200 is at -0.50%. Tonight we have wholesale inventories out of the US.

#### PRECIOUS

Firmer session for the precious as equities were sold off. Gold traded down to the day's low of \$1303 during Asian hours on broad strength in the US dollar. The metal was resurgent through the London AM session and peaked at \$1311 just after the open in NY. The market dipped briefly to \$1306 in early NY trading before consolidating at \$1310-11 for the remainder of the session. Silver tested \$15.60 during Asian hours but found support in NY to close near the highs at \$15.70. Palladium was the standout performer, climbing \$20 to a high of \$1397. The Philadelphia gold and silver index lost 0.80%. In Asia today, the market remains quiet on the last day of Chinese New Year. Gold opened at \$1310.40 and has remained within a tight \$2 range, the yellow metal is sitting at \$1309.20 as I write. Silver has softened through the day and is currently at the low of \$15.68. Have a good day ahead.



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