



## MKS PAMP GROUP

### Daily Asia Wrap

16<sup>th</sup> March 2018

Range Asian Hours  
(from Globex open)

	<b>GOLD</b>	<b>SILVER</b>	<b>PLATINUM</b>	<b>PALLADIUM</b>
<b>OPEN</b>	1316.40/60	16.40/42	954/56	988/90
<b>HIGH</b>	1318.30/50	16.45/47	958/60	990/92
<b>LOW</b>	1313.80/00	16.37/39	953/55	984/86
<b>LAST</b>	1318.30/50	16.45/47	958/60	990/92

#### MARKETS/MACRO

Initial jobless claims in the U.S. eased by 4,000 to 226,000 (exp: 228,000) during the week ended March 10. The weekly print saw the four-week moving average ease just 750 to 221,500, while continuing claims edged 4,000 higher to 1.879 million (exp: 1.903 million). Import prices in the U.S. increased +0.4% MoM during February (exp: +0.2%) to follow a downwardly revised +0.8% increase in January (prev: +1.0%). Imports of fuel weighed upon the headline figure to see ex-petrol imports print a +0.5% increase (exp: +0.3%), while export prices added +0.2% MoM (exp: +0.3%) following a +0.8% gain the month prior. Equity markets in the U.S. ended mixed on Thursday, with participants trading cautiously as the trade rhetoric out of the White House directed toward China escalates. The DJIA snapped a three-session losing streak to book a +0.47% gain to 24,873.66 points, while the S&P 500 staged a late session recovery, however was unable to climb into positive territory and ended -0.08% down at 2,747.33 points to book a fourth consecutive decline. The greenback caught a bid on Thursday courtesy of up-beat economic data, however continued to run into headwinds against the safe-haven yen. The DXY index closed +0.45% higher after making notable gains against the euro (EUR/USD -0.5%) and the pound (GBP/USD -0.2%), while USD/JPY spent the majority of the session underneath 106.00 before turning bid late in trade to recapture the figure. Oil futures saw volatile price action on Thursday, ultimately ending the session higher following an International Energy Agency report forecasting a 1.5 million barrel per day increase in global oil demand in 2018. WTI closed the session +0.4% higher at USD \$61.20 per barrel, while Brent crude posted a +0.45% gain to USD \$65.10 per barrel.

#### PRECIOUS

Bullion continued to trade heavily during Asian trade on Friday following Thursday's -0.6% decline, once again testing support underneath USD \$1,315 only to see resting interest restrict any further declines. Thursday's dollar strength weighed upon bullion, reversing what was a modestly up-beat Asian session to trigger a stop loss run through USD \$1,320 in New York and touch the recent support trend line extending through USD \$1,315. Muted early Asian trade on Friday gave way to early Chinese offers as USD/China pushed higher on the Shanghai open. For the third time in a week bullion tested toward USD \$1,313, however once again saw interest around the support level to spend the remainder of the session paring early Chinese declines, and extending beyond opening levels as early European interest filtered in. Bullion continues to search for a catalyst to break out of the recent range, and in lieu of such an event we expect



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the metal to hold within USD \$1,313 - \$1,330, noting any extension lower should meet strong support toward USD \$1,300. Data releases today include Eurozone CPI, U.S. housing starts, U.S. industrial production and the University of Michigan consumer sentiment gauge.

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