



MKS PAMP
GROUP

Daily Asia Wrap - 23rd April 2019



Range Asian Hours
(from Globex open)

	GOLD	SILVER	PLATINUM	PALLADIUM
OPEN	1275.30/50	15.00/02	899/01	1390/94
HIGH	1276.40/60	15.03/05	901/03	1392/96
LOW	1273.80/00	14.99/01	898/00	1386/90
LAST	1274.60/80	15.01/03	899/01	1386/90

MARKETS/MACRO

Firmer oil prices buoyed energy stocks on Monday to see major bourses generally higher, however the DJIA saw weakness to Boeing Co. weigh upon the end result. A weekend report from the New York Times regarding Boeing's Dreamliner program saw shares down -1.29% as the DJIA ended the session off -0.19% to 26,511.05 points. Strength across energy (+2.05%) underpinned the S&P 500 to a +0.10% gain at 2,907.97 points, while the Nasdaq Composite firmed +0.22% to 8,015.266 points. Oil prices surged following news that the U.S. would end waivers for countries to import oil from Iran. WTI crude jumped +2.7% to finish at USD \$65.70 per barrel, while Brent crude gained around +2.9% to USD \$74.20 per barrel. The greenback eased modestly on Monday (DXY -0.1%) amid thin post-holiday trade, unmoved against the Japanese yen, while the euro firmed +0.1%. Treasury yields in the U.S. increased as oil prices strengthened on Monday, seeing the two-year 0.7 bps higher to 2.391% and the 10-year 2.9 bps higher to 2.592%. On the data front, existing home sales in the U.S. declined -4.9% MoM during March (exp: -3.8%) from +11.2% the month prior. The median sale

price increased +3.8% YoY to \$259,400, while at current pace it would take 3.9 months to exhaust supplies, still well below the 6-month long-run average.

PRECIOUS

Rather uninspiring trade during Asian hours today as gold oscillated either side of the technical Fib retracement level around USD \$1,275. Early session offers saw the metal test underneath the previous session low print, extending to USD \$1,273.80, however still within the recent range that saw a USD \$1,271.15 low last week. Interest out of China saw a modest bid tone support bullion to a USD \$1,276.40 session high, although a lack of follow through interest soon had the metal back below USD \$1,275. Gold looks vulnerable to a further extension lower through USD \$1,270, opening a test toward the 200 DMA at USD \$1,251. The latest CFTC data shows gold non-commercial length was cut leading into the Easter period, however positioning still remains bullish, while silver non-commercial length has turned bearish as the metal struggles to hold above the 200 DMA at USD \$14.99. Data today includes U.S. FHFA house prices, U.S. new home sales and the Richmond Fed manufacturing index.

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