



## MKS PAMP GROUP

### Daily Asia Wrap

14<sup>th</sup> November 2017

Range Asian Hours  
(from Globex open)

	<b>GOLD</b>	<b>SILVER</b>	<b>PLATINUM</b>	<b>PALLADIUM</b>
<b>OPEN</b>	1277.70/90	17.04/06	931/33	992/94
<b>HIGH</b>	1278.10/30	17.04/06	932/34	998/00
<b>LOW</b>	1275.40/60	16.99/01	930/32	991/93
<b>LAST</b>	1276.80/00	17.00/02	930/32	998/00

#### MACRO

With a lack of economic data for direction, U.S. equities eked out modest gains on Monday, withstanding weakness from General Electric after the conglomerate suffered its worst day in over eight years. The DJIA saw strength to McDonald's Corp (+1.07%) and Home Depot Inc. (+0.73%) balance General Electric's (-7.2%) fall and support the bourse +0.07% higher to 23,439.70 points, while the S&P 500 saw strength across utilities (+1.16%) underpin a +0.10% gain to 2,584.84 points. Oil prices ended Monday marginally lower following whippy late session pricing as both OPEC and the EIA reported supply/demand data. October crude production from OPEC members reportedly eased -0.5% MoM to 32.59 million barrels per day, while the EIA conversely reported that U.S. shale-oil production is expected to rise by 80,000 barrels per day to 6.174 million barrels per day in December. After touching briefly above USD \$57 per barrel, WTI pulled back sharply late in trade (USD \$56.30 low) before recovering to end just -0.16% lower at USD \$56.72 per barrel, while Brent crude declined -0.8% to finish around USD \$63.13 per barrel. The greenback was unable to sustain early session demand, however held onto a modest +0.1% gain for the session, while treasury yields traded mixed to see the curve flatten, taking the two-year to a fresh nine-year high and the ten-year unmoved. Fresh Brexit jitters had European investors heading for the exits on Monday, seeing the Stoxx Europe 600 -0.66% lower to mark the fifth consecutive session decline. Both the German Dax (-0.40%) and the French CAC (-0.73%) traded heavily, while the U.K. FTSE 100 declined -0.24% following news over the weekend that up to 40 members of parliament had agreed to sign a letter of no confidence in Prime Minister Theresa May.

#### PRECIOUS

An uninspiring session on Monday saw bullion hold a narrow range, with resting offers sitting between the 100 DMA (USD \$1,278.40) and USD \$1,280 restricting any sustained recovery following Friday's collapse. A brief dip below USD \$1,275 was quickly reversed in early Asian trade, with the remainder of the session seeing a mild bid bias that generally followed the dollar weakness in Europe and the U.S. Asian trade today had bullion under early session pressure, pulling back from the 100 DMA in modest flows. Demand out of China once again held an on-shore premium just underneath USD \$10, however interest failed to restrict further declines as the yellow metal slipped toward USD \$1,275 into the



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Shanghai lunchbreak. Key support levels for the yellow metal sit around USD \$1,260 - \$1,265 (200 DMA USD \$1,264.00), while topside levels to watch initially come in around the 100 DMA pivot point at USD \$1,278.40 and above this USD \$1,282 - USD \$1,285. Silver regained the USD \$17 handle after recovering from early weakness in New York on Monday, impressively extending to a USD \$17.07 session high and holding the figure into the close for a +1% gain. The grey metal however drifted lower with gold during Asian trade on Tuesday, although saw interest toward USD \$17 to restrict a retracement of Monday's gains. Palladium disappointed on Monday to lose touch with USD \$1,000 following a strong Asian session, however was able to test back toward the figure on Tuesday following strong interest on the Japanese open. Middle Eastern tensions, U.S. tax reform and U.S. - North Korean relations remain present as upside shocks to the precious complex, however in lieu of major developments it is difficult to see gold finding the support necessary for a move back toward USD \$1,300 over the near-term. Data releases today include German GDP, CPI and ZEW survey results, U.K. CPI / PPI / RPI, Eurozone industrial production and GDP, U.S. small business optimism and PPI.

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