



MKS PAMP GROUP
Asia Market Update
13th November 2018

Range Asian Hours
(from Globex open)

	GOLD	SILVER	PLATINUM	PALLADIUM
OPEN	1200.30/50	13.99/01	842/44	1099/01
HIGH	1205.00/20	14.10/12	847/49	1109/11
LOW	1200.30/50	13.99/01	840/42	1099/01
LAST	1204.00/20	14.08/10	846/48	1103/05

MARKETS/MACRO

Equities in the U.S. tumbled lower on Monday as global oil prices continued to decline and global growth concerns remain heightened. The DJIA was pummelled in excess of 600 points or -2.32% to 25,387.18 points, heavy trade across technology (-3.54%) and consumer discretionary (-2.31%) weighed upon the S&P 500 to see the bourse down -1.97%, while the Nasdaq Composite collapsed -2.78% as Apple Inc. declined -7.5%. Oil futures extended recent declines on Monday as WTI booked an eleventh successive session decline, marking the longest series of losses since WTI commenced trading in 1983. The U.S. benchmark tanked -2.8% to USD \$59 per barrel, with losses accelerating late in New York, while Brent crude sunk -2.5% to test a break underneath USD \$69 per barrel. Weighing upon prices was a tweet from President Trump voicing his disapproval over potential production cuts from OPEC and commenting that “Oil prices should be much lower based on supply!” The greenback kicked off the week on a positive note, extending recent gains against both the euro and the pound as uncertainty over a Brexit deal continues to weigh upon the currencies. The DXY index added +0.66% as the pound dropped -0.67% and the euro slumped -0.94%. Markets in Europe were well offered on Monday as lingering Brexit concerns and Italian budget jitters saw investors head for the exits. The Europe Stoxx 600 collapsed -1.01% to 362.03 points, the German Dax tanked -1.77% to 11,325.44 points and the French CAC handed back -0.93% to 5,059.09 points. In the U.K. the FTSE 100 (-0.74%) lost ground as British American Tobacco tanked nearly -11% on reports of increased regulation by the FDA.

PRECIOUS

The precious complex saw some respite from the late New York selling during Asian trade today, as both gold and silver moved away from their respective psychologically important supports. The failed test of USD \$1,200 saw gold specs on the bid during early session trade, while a softer dollar underpinned the early session price action heading into the Chinese open. Shanghai opened at an on-shore premium toward USD \$7, adding further upward momentum to bullion and extending to USD \$1,205 high leading into the lunch break as USD/China sharply reversed early strength. Afternoon trade held underneath USD \$1,205, with the figure broadly building as a pivot point to a test of USD \$1,211. There however remains inherent weakness across the precious complex and as such we are likely to see a re-test of USD \$1,200 before any uptrend is resumed (political uncertainty and softer global equities should drive safe-haven demand over medium-term). A move underneath USD \$1,200 will see targets extend toward \$1,195 and USD \$1,180. Silver largely remained underneath USD \$14.10 throughout Asian trade today and continues to remain susceptible to a break underneath USD \$14.00. The metal has not made a sustained break underneath the figure since early 2016 and could target a move to USD \$13.75 - \$13.65 should the



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support be broken. Data today includes German CPI, U.K. employment, German ZEW survey and the U.S. monthly budget statement.

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