



## MKS PAMP GROUP

### Daily Asia Wrap

8<sup>th</sup> January 2018

Range Asian Hours  
(from Globex open)

	GOLD	SILVER	PLATINUM	PALLADIUM
<b>OPEN</b>	1320.80/00	17.23/25	970/72	1093/95
<b>HIGH</b>	1323.00/20	17.25/27	971/73	1098/00
<b>LOW</b>	1317.30/50	17.13/15	967/69	1093/95
<b>LAST</b>	1318.70/90	17.15/17	969/71	1098/00

#### MARKETS/MACRO

Nonfarm payrolls in the U.S. increased a seasonally adjusted 148,000 during December (exp: 190,000) to follow an upwardly revised 252,000 in November (prev: 228,000). December's print took employment gains to 2.1 million for 2017, marking the seventh consecutive year of increases exceeding 2 million. The unemployment rate held at 4.1% for the third consecutive month and the broader 'U-6' measure of unemployment and underemployment, which includes those who have stopped looking and those in part-time jobs who want full-time positions, edged marginally higher to 8.1% from 8.0% previously. Average hourly earnings ticked USD \$0.09 higher or +0.3% to follow a modestly downwardly revised +0.1% increase (prev: +0.2%) the month prior, lifting the annual pace to +2.5% YoY (prev: +2.4%). U.S. factory orders outpaced expectations to climb for a fourth consecutive month during November. Orders increased +1.3% MoM during November (exp: +1.1%), while October saw a positive revision to +0.4% from a previous decline of -0.1%. Equity markets in the U.S. continued the strong start to 2018 on Friday, with each of the three major benchmarks booking all-time record closes. The DJIA ended the session +0.88% higher at 25,295.87 points, while strength across the technology sector saw the S&P 500 +0.70% higher to 2,743.15 points and the Nasdaq Composite gained +0.83% to 7,136.558 points. On a weekly basis the DJIA rose +2.3%, the S&P 500 jumped +2.6% and the Nasdaq Composite outperformed to surge +3.4%. Oil prices pulled back from recent highs on Friday, however still managed to log the third consecutive weekly gain following a report from the EIA showing a decline in U.S. crude stockpiles. WTI ended trade on Friday -0.9% lower at USD \$61.40 per barrel for a +1.7% weekly gain, while Brent crude shed -0.7% to USD \$67.60 per barrel for a +1.1% weekly return.

#### PRECIOUS

Following Friday's 11th consecutive session gain and the longest consecutive stretch of gains on record (futures basis), bullion traded in mixed fashion during Asian trade today. The metal opened with a mild offered bias to test through USD \$1,320 in thin early session trade, however found supportive price action underneath the figure to reverse earlier declines. Shanghai saw early interest to take the metal toward the Friday high print as USD/China (CNH + CNY) opened notably softer, however the currency action soon reversed and bullion drifted lower into the Chinese lunch break. Afternoon flows saw weakness into European hours, with the yellow metal under pressure from further dollar strength. Recent attempts to make a consolidated move through USD \$1,325 have run into resistance and expect this level to remain topish, especially as the dollar begins to recover from three consecutive weekly



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declines. Silver was unable to test above Friday's high during Asian hours today, however should continue to see support around USD \$16.95 (200 DMA), while palladium recovered from weakness in New York on Friday to push back toward USD \$1,100. Data releases today include German factory orders, U.K. house prices and Eurozone retail sales.

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