



MKS PAMP
GROUP

Daily Asia Wrap - 8th October 2019



Range Asian Hours
(from Globex open)

	GOLD	SILVER	PLATINUM	PALLADIUM
OPEN	1493.60/80	17.44/46	878/80	1667/70
HIGH	1494.30/50	17.48/50	882/84	1669/72
LOW	1486.90/10	17.29/31	876/78	1664/67
LAST	1492.00/20	17.39/41	882/84	1667/70

MARKETS/MACRO

Stocks in the U.S. kicked off the week on the back foot as we head toward a fresh round of trade talks between the U.S. and China later this week. The DJIA ended the session -0.36% lower at 26,478.02 points, while weakness across energy (-0.92%) and consumer stocks (-0.81%) weighed upon the S&P 500 as the bourse declined -0.45% to 2,938.79 points. The greenback finished the session firmer (DXY +0.18%), however was largely range bound against majors in a session void of price action catalysts. Treasury yields in the U.S. finished higher to see the 10-year gain 4.3bps to 1.563%, while the 2-year spiked 8bps to 1.465%. Oil futures erased early session gains as participants ignored a monthly decline to OPEC output and turned focus to demand concerns as the U.S. and China prepare to meet later in the week. WTI settled -0.1% lower at USD \$52.75 per barrel, while Brent crude finished generally unchanged at USD \$58.20 per barrel.

PRECIOUS

The return of China from Golden week holidays underwhelmed in Asia today, as pre-

Shanghai weakness was soon pared to see metals hold around opening levels for the remainder of the session. While seeing an early bid skew to pricing as China returned, the on-shore premium remained constant around pre-holiday levels toward USD \$7 and failed to elicit much in the way of spot demand as a result. Interest in bullion continues to be heavy underneath USD \$1,500, and even with a mild uptick in futures volumes today the metal held a narrow range and failed to make headway toward the psychological USD \$1,500 level. Trade headlines leading into discussions between the U.S. and China this Thursday and Friday will no doubt be watched closely and dictate near-term pricing, with initial support sitting around USD \$1,480, with broad extension toward USD \$1,460 - \$1,465. Silver saw a sharp test toward USD \$17.30 leading into the Shanghai open today, however soon recovered to hold broadly with a USD \$17.50 - \$17.40 range over the remainder of the session, while the white metals saw uninspiring trade. Data today includes German industrial production, U.S. NFIB small business optimism and U.S. PPI.

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