



MKS PAMP GROUP

Asia Market Update

15th May 2019

Range Asian Hours
(from Globex open)

	GOLD	SILVER	PLATINUM	PALLADIUM
OPEN	1296.90/10	14.79/81	856/58	1335/38
HIGH	1298.30/50	14.80/82	859/61	1338/41
LOW	1295.00/20	14.77/79	855/57	1334/37
LAST	1295.50/70	14.80/82	856/58	1337/40

MARKETS/MACRO

Stocks in the U.S. rebounded on Tuesday to regain some of Monday's sharp declines, with investors considering developments in the on-going trade saga between the U.S. and China. The DJIA finished the session +0.82% higher at 25,532.05 points, strength across technology (+1.60%) and energy (+1.09%) helped to underpin the S&P 500 to a +0.80% gain at 2,834.41 points, while the Nasdaq Composite jumped +1.14% to 7,734.496 points. The greenback firmed on Tuesday following recent declines (DXY +0.21%), regaining ground against the Japanese yen (USD/JPY +0.33%) as investors moved back into risk to push global equities higher. Treasury yields edged modestly higher on Tuesday to see the two-year gain 1.2bps to 2.205%, while the 10-year added 1.6bps to 2.421%. On the data front, U.S. import prices edged modestly higher during April, increasing +0.2% MoM (exp: +0.7%) to follow a +0.6% increase previously as increases to petroleum and food were offset by the largest decrease in the price of capital goods in 10 years. Stocks across Europe rebounded from Monday's trade related weakness, with markets opening on the front foot and consolidating gains throughout the session. The Stoxx Europe 600 ended the session +1.01% higher at 376.34 points, the German Dax tacked on +0.97% to 11,991.62 points, while in London the FTSE 100 spiked +1.09% to 7,241.60 points.

PRECIOUS

A relatively quiet session across the precious complex during Asian trade on Tuesday, as gold tested toward the overnight low printed in New York. Once again weakness was generally reserved for Chinese hours, with USD/China seeing early Shanghai declines as bullion moved underneath the 100 DMA at USD \$1,296.80. The on-shore premium in China remained buoyant toward USD \$8 relative to London spot as gold tested toward USD \$1,295 into the afternoon, suffering from a lack of interest with less than 30k lots passing through Globex into European trade. The fast money that underpinned the move back above USD \$1,300 looks to have taken profits on this week's reversal back through the figure, and even amid the uncertainty being generated by the trade stand-off between the U.S. and China, the metal remains vulnerable to a down-side move back toward support around USD \$1,280 - \$1,285. Silver remained heavy and unable to make headway through USD \$14.80, while the white metals held a narrow range. Data today includes German GDP, France CPI, Eurozone GDP, U.S. MBA mortgage applications, U.S. empire state manufacturing, U.S. retail sales, U.S. industrial production and U.S. capacity utilisation.



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