



MKS PAMP
GROUP

Daily Asia Wrap - 11th November 2019



Range Asian Hours (from Globex open)

	GOLD	SILVER	PLATINUM	PALLADIUM
OPEN	1459.50/70	16.80/82	888/90	1744/47
HIGH	1463.80/00	16.90/92	890/92	1755/58
LOW	1459.50/90	16.80/82	884/86	1744/47
LAST	1463.30/50	16.82/84	886/88	1750/53

MARKETS/MACRO

Stocks in the U.S. once again printed fresh records on Friday, with participants largely putting to one side comments from President Trump noting that he had not agreed to rolling back tariffs on Chinese goods. The DJIA finished the session just +0.02% higher, however it was enough to book a fresh all-time record close of 27,681.24 points, while gains across health care (+0.80%) and technology (+0.59%) underpinned the S&P 500 to a +0.26% gain at 3,093.08 points, also printing a fresh record all-time closing high. The Nasdaq Composite meanwhile jumped +0.48% to a fresh record all-time close at 8,475.313 points. On a weekly basis the DJIA gained +1.2% for a third consecutive weekly win, the S&P 500 advanced +0.9% to mark the fifth consecutive weekly gain, while the Nasdaq Composite added +1.1% on the week. On the data front, wholesale inventories in the U.S. (final) for September were revised lower, sliding to -0.4% MoM from -0.3% previously, marking the largest decline since October 2017. The University of Michigan's gauge of consumer sentiment ticked modestly higher during November (preliminary). The measure improved to 95.7 (exp: 95.5) from 95.5 during October, largely driven by an uptick in the expectations sub index to 85.9 from 84.2 previously. In

currency majors, the greenback added +0.27%, finish flat against the safe-haven Japanese yen, while firming against the euro (EUR/USD -0.30%) and the pound (GBP/USD -0.33%) post the dovish BOE meeting. Treasury yields continued to run higher on the back of optimism over U.S. – China trade negotiations. The two-year yield added 1bp to 1.678% and the 10-year gained 3bps to 1.943%, registering the largest one-week gain in around a month. Trade data out of China over the weekend showed better than expected results for October, with exports declining just -0.9% YoY (exp: -3.9%) from -3.2% previously and imports falling -6.4% YoY (exp: -7.8%) from -8.3% previously. Exports to the U.S. fell -16.2%, an improvement on the -21.9% fall the month prior.

PRECIOUS

The precious complex skewed modestly higher during Asian trade on Monday, benefiting from a softer greenback and an escalation in violence in Hong Kong. Gold opened underneath USD \$1,460, however spent little time below the level after finding support in early session flows. Tokyo were on the bid from the open, while Shanghai added further interest to keep pricing buoyant around USD \$1,462/3 throughout the session as the on-shore premium edged toward USD \$4. The shooting of a protester in Hong Kong amid further unrest saw a mild risk-off skew during the afternoon, however top-side gains were limited and USD \$1,475 - \$1,480 remains the key near-term pivot for a recovery higher Supportive interest remains firm toward USD \$1,450 as ETF's continue to hold positioning above this level, while expect CFTC positioning to remain sticky above USD \$1,400. Silver trended higher throughout Asian hours today after holding the USD \$16.70 - \$16.80 support band on Friday but will need a move back above USD \$17 over the near term for participants to become friendly to the metal once again. Platinum continues to languish underneath USD \$900 following the break under the figure on Friday, while palladium saw strong early demand to pivot back through USD \$1,750 and hold the level throughout the session. Data today includes U.K. GDP, U.K. Industrial production, U.K. manufacturing production and U.K. trade balance.

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