



MKS PAMP
GROUP

Daily Asia Wrap - 14th November 2019



Range Asian Hours
(from Globex open)

	GOLD	SILVER	PLATINUM	PALLADIUM
OPEN	1463.30/50	16.97/99	875/77	1712/15
HIGH	1468.10/30	17.02/04	875/77	1724/27
LOW	1461.70/90	16.89/91	870/72	1709/12
LAST	1468.00/20	16.99/01	874/76	1722/25

MARKETS/MACRO

Equities in the U.S. finished generally higher on Wednesday as positive trade comments buoyed both the DJIA and the S&P 500 to fresh record closing highs. The DJIA firmed +0.33% to an all-time record of 27,783.59 points, gains across utilities (+1.47%) and real estate (+1.07%) underpinned the S&P 500 to a +0.07% gain at 3,094.04 points, also a fresh record closing print for the bourse. The greenback held relatively unchanged as participants moved into the safe-haven yen (USD/JPY -0.21%) and Swiss Franc (USD/CHF -0.30%), while both the euro and the pound were little changed. Treasury yields eased modestly as the two-year slipped 2.4bps to 1.636%, while the 10-year declined 3.7bps to 1.889%. On the data front, U.S. CPI increased +0.4% MoM during October (exp: +0.3%), marking the largest increase since March. The print was largely driven by strength across energy products, healthcare and food, seeing the annualised rate to +1.8% YoY (exp: +1.7%) from +1.7% previously. Excluding the volatile energy and food components CPI (core) advanced +0.2% MoM (exp: +0.2%) to take the annualised figure to +2.3% YoY (exp: 2.4%) from 2.4% previously.

PRECIOUS

A firmer session across the precious complex during Asian trade today, withstanding early Chinese offers to push higher throughout the session, testing above the previous session high print late in trade. A brief bout of early selling out of Shanghai saw gold print a USD \$1,461.70 low, however the metal found interest toward USD \$1,460 in solid two-way flows, not troubling the level throughout the remainder of the session. An offered greenback into the European open underpinned gains, however the move was initiated prior to the DXY weakness as real money paid offers. Dare I say we may have found a base around USD \$1,445 - \$1,450, however the metal is likely to remain range-bound over the near-term unless we see USD \$1,475 - \$1,480 (100 DMA USD \$1,478.64) broken. Silver flirted either side of USD \$17 in Asia today following a brief move through the figure in New York on Wednesday and looks likely to consolidate above the psychological level over the near term. The Gold/ Silver ratio remains pinned below both the 100 DMA and the 200 DMA, levels that should underpin silver pricing relative to the yellow metal. With regards to the white metals, Platinum continues to trade range-bound underneath USD \$900, while palladium has pivoted back above USD \$1,700 and should consolidate above this level to once again test USD \$1,800 on continued tightness.

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