



MKS PAMP
GROUP

Daily Asia Wrap - 17th October 2019



Range Asian Hours (from Globex open)

	GOLD	SILVER	PLATINUM	PALLADIUM
OPEN	1490.20/60	17.39/42	886/88	1768/74
HIGH	1493.00/40	17.40/43	886/88	1779/85
LOW	1487.50/90	17.31/34	883/85	1768/74
LAST	1487.60/00	17.31/34	884/86	1779/85

MARKETS/MACRO

US equities were lower as retail sales data disappoints. The Dow slipped 22.82 points, or 0.08%, to 27,001.98, the S&P 500 lost 5.99 points, or 0.20%, to 2,989.69, while the Nasdaq gained fell 24.52 points, or 0.30%, to 8,124.718. There were wins for consumer discretionary (+0.41%) while energy (-1.49%) and tech (-0.71%) weighed on the markets. European equities were mixed, the EuroSTOXX eased 0.56 points, or 0.14%, to 393.46, the German DAX added 40.32 points, or 0.32%, to 12,670.11, and the London FTSE 100 shed 43.69 points, or 0.61%, to 7,167.95. In the currencies, the US dollar index eased 0.30% to 98.01, the EUR traded up to 1.1081 while USD/JPY was flat at 108.71. US treasury yields were mixed, the 2 year yield lost 0.2 bps to 1.590% while the 10 year yield firmed 0.4 bps to 1.748%. Oil prices were higher, Brent added 0.7% to \$59.29 while WTI rose 0.6% to \$53.25. Base metals were mostly lower, with nickel (-3.2%) leading the losses. In US economic data, retail sales fell 0.3% in September, the first drop in seven months, while retail sales ex-autos fell 0.1% in September. Business inventories were flat in August following a revised 0.3% increase in July. The NAHB index climbed a 20 month high of 71 in October. In Asia today, as I write the Nikkei is at -0.02%, the Shanghai composite is at 0.00%, the Hang Seng is at +0.74%, and the ASX S&P 200 is at -0.70%. Tonight we have weekly jobless claims, housing starts, building permits, Philly Fed index, industrial production, and capacity utilisation; and construction output out of the Eurozone.

PRECIOUS

Gold traded between \$1480-85 during Asian hours with the onshore SGE premium at \$4-5. The metal drifted slowly lower through the London AM session as Brexit headlines dominated the markets. The session low \$1477 came just after the opening bell in NY, but the yellow metal surged to \$1490 as retail sales numbers fell short of expectations. The weaker dollar supported the market throughout the remainder of NY and gold closed out the session ahead at \$1491. Silver recovered early losses, the grey metal was as low as \$17.16, to finish flat at \$17.40. Palladium's rise continued, with the metal posting another fresh record high at \$1781. The Philadelphia gold and silver index rose 1.60%. Gold trading slightly lower in Asia today as the SGE premium eases to \$3-4 over loco London. The yellow metal opened the session at \$1490.20 and is at \$1487.60 as I write. Silver is also drifting lower, the grey metal is currently sitting at \$17.31 as I write. Palladium still finding support, the metal is trading higher at \$1779. Have a good day ahead.

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