



MKS PAMP GROUP

Daily Asia Wrap

18th June 2019

Range Asian Hours
(from Globex open)

	GOLD	SILVER	PLATINUM	PALLADIUM
OPEN	1340.00/20	14.84/86	795/97	1457/60
HIGH	1347.50/70	14.92/94	799/01	1481/84
LOW	1338.60/80	14.81/83	791/93	1456/59
LAST	1345.50/70	14.87/89	797/79	1477/80

MARKETS/MACRO

Stocks in the U.S. firmed modestly on Monday, finding support from tech stocks such as Facebook and Netflix. The DJIA closed +0.09% higher at 26,112.53 points, gains to health care (+0.47%) and technology (+0.17%) helped the S&P 500 also finish +0.09% higher at 2,889.67 points, while the tech-laden Nasdaq Composite gained +0.62% to 7,845.023 points. The greenback finished generally flat against majors on Monday, able to reverse early European declines late in trade. The dollar held unmoved relative to the safe-haven Japanese yen, the euro reversed Empire State gains to finish largely unmoved, while the pound sunk -0.45% as the Tory leadership battle heated up. Treasury yields held steady into this weeks FOMC meeting, seeing the two-year finish around 1.87% and the 10-year toward 2.092%. On the data front, the New York Fed's Empire State business conditions index collapsed during June, falling to -8.6 (exp: 11.0) from a 17.8 read the month prior. The negative print indicates a contraction in activity and is the first such result since October 2016. The headline figure saw broad-based weakness, with new orders plummeting 21.7 points to -12, while shipments declined 6.6 points to 9.7. Markets across Europe finished generally lower on Monday, although only marginally as investors look ahead toward the upcoming FOMC meeting. The Stoxx Europe 600 eased -0.09% to 378.46 points, the German Dax also slipped -0.9% to 12,085.82 points, while in London an offered pound underpinned a +0.16% gain to the FTSE 100.



PRECIOUS

A generally firm session across the precious complex during Asian trade today, with interest around USD \$1,340 supporting gold on multiple occasions as the metal looks to build a base following the recent move lower. Early session tests underneath USD \$1,340 didn't extend far beyond the figure, while Chinese demand saw bullion back above USD \$1,340 as the on-shore premium pushed above USD \$16 relative to spot. While generally firm through the session, it wasn't until late in afternoon trade that we saw gold extend away from USD \$1,340, printing a USD \$1,347.50 high and threatening once again to move through USD \$1,350 as we saw on Friday. The metal is currently benefiting from uncertainty surround the FOMC meeting this week and the path the Fed may take with regards to potential rate cuts. While bullion is able to remain buoyant above USD \$1,330 - \$1,325, there remains scope for a sustained push higher to test the cluster of recent high prints (June 2016 onwards) between USD \$1,360 - \$1,375. Data releases today include Eurozone CPI, German ZEW survey results, U.S. housing starts and building permits.

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