



MKS PAMP  
GROUP

## Daily Asia Wrap - 19th November 2019



Range Asian Hours  
(from Globex open)

	GOLD	SILVER	PLATINUM	PALLADIUM
OPEN	1470.40/60	17.03/05	893/95	1737/40
HIGH	1475.40/60	17.07/09	896/98	1737/40
LOW	1469.20/40	17.01/03	893/95	1727/30
LAST	1470.00/20	17.03/05	895/97	1733/35

### MARKETS/MACRO

Stocks in the U.S. eked out modest gains on Monday, however the mood was dampened somewhat by reports that a number of Chinese officials were less-optimistic about the chances of a trade deal with the U.S. as a result of President Trump's reluctance to roll back tariffs. Meanwhile at the White House on Monday, President Trump had an unscheduled meeting with Federal Reserve Chairman Jay Powell whereby discussions centred around monetary policy. Trump described the meeting via twitter as "very good & cordial", while the Federal Reserve said that Powell had stuck by his instance that policy would be dictated by the twin goals of stable inflation and maximum employment. The DJIA ended the session +0.11% higher at a fresh record close of 28,036.22 points, gains across real estate (+0.50%) and consumer stocks (+0.55%) saw the S&P 500 to a +0.05% gain, finishing at a record close of 3,122.03 points, while the Nasdaq Composite added +0.11% to 8,549.938 points. On the data front, U.S. total net TIC outflows came in at USD \$37.6 billion during September, while net long-term TIC flows recorded inflows of USD \$49.5 Billion. The greenback tracked lower on Monday on the back of trade

concerns (DXY -0.16%), notably losing ground to the safe-haven yen (USD/JPY -0.13%) as the pair reversed European gains, while the euro edged toward 1.11 late in trade to finish +0.19% higher. Treasury yields were well offered in New York, paring early session gains to finish modestly lower. The two-year eased 0.7bps to settle just underneath 1.60%, while the 10-year slipped 1.1bps to finish at 1.813%.

#### **PRECIOUS**

Gold reversed an early session bid tone in Asian trade today, paring a move above USD \$1,475 after testing through the previous session high. The metal tempered the pre-Shanghai move to settle around USD \$1,470 as the on-shore premium in China remained toward USD \$3 relative to spot gold. An increase in trade tensions between the U.S. and China has underpinned the move away from the USD \$1,445 - \$1,450 supportive band, however the metal remains sensitive to headlines and will need to pivot back through USD \$1,475 - \$1,480 to entice fresh interest. It is worth noting that recent gains have been led by fast-money interest in the face of ETF outflows, positioning that is fickle amid price volatility. Silver spent today's session above the important USD \$17 figure in light flows, while platinum continues to see demand above both the 100DMA and 200 DMA and tests USD \$900. Data today includes U.S. housing starts and building permits.

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