



MKS PAMP GROUP

Daily Asia Wrap

25th June 2019

Range Asian Hours
(from Globex open)

	GOLD	SILVER	PLATINUM	PALLADIUM
OPEN	1418.80/00	15.44/46	814/16	1535/38
HIGH	1439.20/40	15.51/53	817/19	1543/46
LOW	1418.00/20	15.33/35	808/10	1521/24
LAST	1430.50/70	15.43/45	811/13	1533/36

MARKETS/MACRO

Stocks in the U.S. ended trade mixed on Monday amid a further increase in tensions between the U.S. and Iran, as President Trump announced hard hitting sanctions on Iran. The DJIA eked out a +0.03% gain to finish at 26,727.54 points, the S&P 500 eased -0.17% to 2,945.35 points and the Nasdaq Composite slipped -0.32% to 8,005.695 points. The greenback remained under pressure on Monday (DXY -0.2%) on the back of softer U.S. data, while the 10-year treasury yield eased 4.5bps to around 2.01%. On the data front, the Dallas Fed manufacturing activity index collapsed to a three-year low during June, declining to -12.1 (exp: -2.0) from a -5.3 read previously. The Chicago Fed Nat activity index improved in May to -0.05 (exp: -0.20) from -0.48 previously as production related indicators recovered. Markets across Europe ended generally softer as heightened tensions between the U.S. and Iran weighed upon sentiment. The Stoxx Europe 600 finished the session down -0.25% at 383.79 points, weaker German business sentiment prints weighed upon the Dax as the bourse fell -0.53% to 12,274.57 points, while in the U.K. the FTSE 100 bucked the trend to book a +0.12% gain at 7,416.69 points.

PRECIOUS

A volatile session for gold during Asian trade today, extending as high as USD \$1,439.20 as tensions between the U.S. and Iran hit new highs. Gold managed to capture the USD \$1,420 level late in New York on Monday and spent early Asian trade consolidating above the



figure, buoyed into the Chinese open as participants positioned themselves for the Shanghai open. The metal eased back from a test of USD \$1,430 in early Shanghai trade, however the premium in the far East remained buoyant toward USD \$15 to underpin price action. Further Iran headlines supported gold through USD \$1,430, extending toward USD \$1,439.20 as the dollar continued to fall. Afternoon pricing saw a sharp sell off back toward opening levels on the back of a firmer dollar, however this really only provided an opportunity for interest to move back into the market, pushing the metal back above USD \$1,430 as Europe filtered in. We remain bullish toward price action with ETF's continuing to see inflow and the dollar continuing to falter, however it is likely following the recent run higher that we will see a period of consolidation into the financial year end. Supportive interest should now sit toward USD \$1,420, with broad extension towards USD \$1,400, while resistance is evident from USD \$1,440 - \$1,450.

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