



MKS PAMP
GROUP

Daily Asia Wrap - 2nd December 2019



Range Asian Hours
(from Globex open)

	GOLD	SILVER	PLATINUM	PALLADIUM
OPEN	1464.10/30	16.98/00	896/98	1839/42
HIGH	1464.10/30	16.98/00	899/01	1841/44
LOW	1458.85/05	16.92/94	895/97	1838/41
LAST	1460.20/40	16.93/95	897/99	1840/43

MARKETS/MACRO

Stocks in the U.S. finished the session in the red on Friday in thin holiday trade, with investors exhibiting restraint following the recent uptick in tensions between the U.S. and China. The DJIA ended trade -0.40% lower at 28,051.41 points, weakness across energy (-1.01%) dragged the S&P 500 down -0.40% to 3,140.98 points, while the Nasdaq Composite fell -0.46% to 8,665.471 points. The DJIA finished the week +0.6% higher to post a monthly gain of +3.7%, the S&P 500 finished +1% on the week and +3.4% higher over the month, while the Nasdaq Composite saw a +1.7% gain on the week for a monthly return of +4.5%. In currency majors, the greenback reversed early session gains to finished modestly lower on Friday (DXY -0.07%). The safe-haven yen finished the session unchanged, while the euro added +0.12% to finish above 1.10 and the pound recovered from a move underneath 1.29 to gain +0.19%. Treasury yields turned lower late in the session to see the two-year down 1.8bps to 1.61% and the 10-year eased less than 1bp to 1.775%. Oil futures turned sharply lower in New York on doubts over production cuts at the upcoming OPEC meeting. WTI ended the session -4.45% lower at

USD \$55.55 per barrel, while Brent crude sunk -2.5% to USD \$62.50 per barrel. European markets traded under pressure on the back of trade jitters between the U.S. and China. The Stoxx Europe 600 closed down -0.44% at 407.43 points, the German Dax finished -0.07% down at 13,236.38 points, while in London a firmer pound weighed upon the FTSE 100 as the bourse declined -0.94% to 7,346.53 points.

PRECIOUS

An offered skew across the precious complex during Asian trade today as the greenback firmed and U.S. yields opened markedly higher. Early session offers pressured the metal toward USD \$1,460 in relatively illiquid trade, while modest Chinese interest restricted any further declines as the metal traded at an elevated on-shore premium toward USD \$4 relative to spot. The 50 DMA has moved underneath the 100 DMA at USD \$1,484.55 and USD \$1,485.34, which may bring about some technical sellers to weigh upon price action over the near-term, however supportive interest broadly extending toward USD \$1,450 remains evident to underpin the metal. Silver remains stagnant around USD \$17 and is suffering from a lack of directional drivers. The gold/silver ratio trades lethargically underneath the 200 DMA and muted interest does little to push the figure either way. Platinum has failed to hold the USD \$900 psychological level over the past few sessions, although continues to see down-side interest around the 100 DMA (USD \$896), while palladium remains buoyant to test fresh all-time highs. Data releases today include Markit manufacturing PMI prints from France, Germany, the Eurozone, The U.K., Canada and the U.S. We also see U.S. ISM manufacturing, U.S. ISM prices paid and U.S. construction spending.

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