



MKS PAMP  
GROUP

## Daily Asia Wrap - 4th December 2019



Range Asian Hours  
(from Globex open)

	GOLD	SILVER	PLATINUM	PALLADIUM
OPEN	1477.70/90	17.16/18	910/12	1855/58
HIGH	1480.50/70	17.21/23	913/15	1856/59
LOW	1476.10/30	17.13/15	908/10	1849/52
LAST	1480.20/40	17.21/23	911/13	1854/57

### MARKETS/MACRO

There were further declines across U.S. stocks on Tuesday, with investor sentiment remaining suppressed on the back of concerns over U.S. – China trade relations. President Trump commented that a trade deal with China may have to wait until after the 2020 Presidential election, while Commerce Secretary Wilbur Ross added that it was important the President made it clear that he wasn't under any time pressure to get a deal done. The DJIA ended the session off -1.01% at 24,502.81 points, declines to financial stocks (-1.32%) and energy stocks (-1.55%) saw the S&P 500 finish -0.66% lower at 3,093.20 points, while the Nasdaq Composite shed -0.55% to 8,520.645 points. The deterioration in risk sentiment saw the greenback on the back-foot, notably lower against the Japanese yen as the pair declined -0.32% toward 108.50, while the pound continued to firm (GBP/USD +0.44%) to trade above 1.30 late in the session. The flight to safety saw U.S. yields lower, seeing the 10-year down 12.7bps to 1.708%, marking the largest single-session decline since August. Heightened U.S. – China trade concerns and threats of U.S. tariffs on USD \$2.4 billion of French goods weighed upon markets in

Europe. The Stoxx Europe 600 ended off -0.63% to 398.48 points, the FTSE 100 cratered -1.75% to 7,158.76 points on the back of a firmer pound, while the German Dax bucked the trend to add +0.19% to 12,989.29 points

## **PRECIOUS**

A consolidative session across the precious complex in Asia today as gold held toward USD \$1,480, regional equities slumped and the greenback edged sideways. The yellow metal saw an early session bid tone following headlines that the U.S. House had voted to sanction China officials over human rights, while further headlines regarding China's opposition to the human rights bill underpinned price action. Chinese interest buoyed pricing as the on-shore premium ticked toward USD \$5 and USD/Yuan pushed higher, notably USD/CNY. Gold pivoted above USD \$1,480 in late afternoon trade and sees near-term targets extend through the 50 DMA at \$1,483.05 and the 100 DMA at USD \$1,486.60. Should the risk-off tone persist expect to see this resistance band tested for a move toward USD \$1,500 as ETF's . Silver has consolidated above USD \$17 during Asian trade today and sets near-term top-side targets toward the 50 DMA at USD \$17.39. Supportive interest cuts in around the 100 DMA at USD \$17.04, with broad extension to the psychological USD \$17 figure. Platinum has remained firm today and pushed above the previous session high print, while palladium recovered from early session offers to hold above USD \$1,850.

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