



MKS PAMP GROUP
Asia Market Update
7th December 2018

Range Asian Hours
(from Globex open)

	GOLD	SILVER	PLATINUM	PALLADIUM
OPEN	1237.40/60	14.46/48	790/92	1206/11
HIGH	1240.10/30	14.49/51	791/93	1206/11
LOW	1237.20/40	14.44/46	786/88	1195/00
LAST	1240.10/30	14.49/51	790/92	1202/07

MARKETS/MACRO

Equities in the U.S. reversed early session declines on Thursday, a stunning turnaround for the DJIA after trading nearly 800 points down intra-session from Tuesday's close. The DJIA ended the session -0.32% down at 24,947.67 points, heavy trade to financials (-1.44%) and energy (-1.77%) saw the S&P 500 -0.15% lower to 2,695.95 points, while the Nasdaq Composite bucked the trend to post a +0.42% gain to 7,188.258 points. Initial jobless claims in the U.S. eased 4,000 during the week ended December 1, while the four-week moving average pushed 4,250 higher to 228,000, the highest level since mid-April. Private payrolls in the U.S. printed below expectations during November, slipping to 179k (exp: 195k) from 225,000 previously. Durable goods orders in the U.S. declined sharply during October, falling -4.3% (exp: -2.4%), while ex-transportation goods added +0.2% (exp: +0.1%). Factory orders declined -2.1% (exp: -2.0%) from a +0.2% gain previously and capital goods orders (non-defence ex-air) held unchanged. The greenback turned offered on Thursday, with both the euro and the pound seeing a relief rally, while treasury yields inched lower to see two-years down 5.5bps to 2.756% and 10-years 4.9bps lower to 2.872%. Markets in Europe had a horror session on Thursday, seeing the Europe Stoxx 600 log the worst result since mid-2016. The broad bourse collapsed -3.09%, while the German Dax tanked -3.5% and in London the FTSE 100 sunk -3.2% as the arrest in Canada at the request of U.S. officials of Huawei CFO Meng Wanzhou rattled markets.

PRECIOUS

Bullion tracked sideways throughout Asian trade today as we head toward the U.S. NFP print. A relatively sedate greenback did little to entice price action, while USD/China softened marginally to underpin the yellow metal, without pushing gold above USD \$1,240. The metal held within a narrow range throughout the session and still faces formidable resistance through USD \$1,240 - \$1,245. Silver was able to hold the late New York gains and pushed toward USD \$14.50, while platinum remains heavy underneath USD \$800 and palladium flirts with USD \$1,200 as forwards begin to inch toward the right. All eyes tonight on the U.S. payrolls print and unemployment rate, while we also see Eurozone GDP, U.S. wholesale inventories and the University of Michigan consumer sentiment print.

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