



MKS PAMP GROUP

Asia Market Update

7th March 2019

Range Asian Hours
(from Globex open)

| | GOLD | SILVER | PLATINUM | PALLADIUM |
|-------------|------------|----------|----------|-----------|
| OPEN | 1286.30/50 | 15.08/10 | 826/28 | 1533/38 |
| HIGH | 1288.50/70 | 15.10/12 | 828/30 | 1535/40 |
| LOW | 1283.90/10 | 15.05/07 | 824/26 | 1530/35 |
| LAST | 1285.10/30 | 15.06/08 | 826/28 | 1532/37 |

MARKETS/MACRO

ADP employment in the U.S. printed marginally softer than expected during February, increasing 183k (exp: 190k), however saw a strong revision to January from 213k to 300k. The three-month average for ADP job creation sits at 249k, just underneath the cycle high of 269k jobs in June 2014. Goods producing jobs increased by 44k, while service jobs rose 139k. The U.S. trade deficit widened to USD \$59.8 billion in December (exp: USD \$57.9 billion) from USD \$50.3 billion previously, marking a 10-year high as imports increased +2.1% and exports declined -1.9%. The Fed Beige book reported 'slight-moderate' growth in ten of 12 districts, while there was evidence of negative impacts from the Government shutdown, notably across retail, auto sales, tourism, real estate, restaurants and manufacturing. Stocks in the U.S. posted declines on Wednesday amid a lack of developments between the U.S. and China. The major bourses ended lower for a third successive session, with notably the Dow transport sector booking a ninth consecutive fall. The DJIA finished -0.52% lower at 25,673.46 points, while heavy trade to energy (-1.28%) and health care (-1.47%) saw the S&P 500 -0.65% lower to 2,771.45 points and the Nasdaq Composite sunk -0.93% to 7,55.922 points. The greenback struggled for direction on Wednesday amid mixed data releases, ending the session unchanged as the euro moved back above 1.1300 and the yen firmed around +0.11%.

PRECIOUS

Bullion remained under pressure during Asian hours today, once again facing headwinds on moves toward USD \$1,290. The yellow metal benefited from a softer greenback in early session pricing, pushing above USD \$1,288, however saw participants willing to sell into rallies to cap top-side gains. Shanghai opened to an on-shore premium around USD \$11 to underpin a modest bid tone, again briefly testing above USD \$1,288, however unable to sustain interest to settle toward USD \$1,286 throughout the afternoon. A firmer dollar during late afternoon trade saw bullion to the session low of USD \$1,283.90 as China re-opened after lunch, continuing to trade heavily into European hours as participants exhibited caution leading into Friday's U.S. jobs data. Broad support remains through USD \$1,280 - \$1,285 and it is difficult to see the metal moving above USD \$1,290 before Friday's NFP print. Silver remains supported around the 100 DMA and has tested this level again today, while the white metals had an inside day. All eyes tonight on the ECB and the path forward, while we also see Eurozone GDP, U.S. initial jobless claims and Bloomberg U.S. consumer confidence.



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