



## MKS PAMP GROUP

### Asia Market Update

8<sup>th</sup> March 2019

Range Asian Hours  
(from Globex open)

	<b>GOLD</b>	<b>SILVER</b>	<b>PLATINUM</b>	<b>PALLADIUM</b>
<b>OPEN</b>	1285.60/80	15.03/05	815/17	1524/29
<b>HIGH</b>	1291.50/70	15.10/12	817/19	1525/30
<b>LOW</b>	1285.20/40	15.00/02	812/14	1518/23
<b>LAST</b>	1291.10/30	15.10/12	817/19	1520/25

#### MARKETS/MACRO

Initial jobless claims in the U.S. eased modestly during the week ended March 2, sliding to 223k (exp: 225k) from 226k previously. The weekly print saw the four-week average ease 3,000 to 226,250, while continuing claims fell to 1.755 million (exp: 1.772 million) from 1.805 million previously. Stocks in the U.S. remained heavy on Thursday, with participants considering the impacts of the fresh stimulus measures launched by the ECB and the general health of the global economy. The DJIA fell -0.78% to 25,473.23 points to book a fourth consecutive decline, while weakness across financials (-1.06%) and consumer stocks (-1.37%) led 10 of eleven components of the S&P 500 into the red as the bourse sunk -0.81% to 2,748.93 points. The greenback firmed against majors on Thursday (DXY +0.8%), largely a result of ECB led euro weakness (EUR/USD -1%) as the common currency lost the 1.13 handle and tested underneath 1.12 late in trade. The European stimulus measures saw U.S. yields lower, with both the two-year and 10-year yields marking their largest single session decline this year. The two-year shed around 5 bps to 2.471% and the 10-year fell 5.4 bps to 2.637%. The ECB launched fresh stimulus measures on Thursday, aimed at supporting the region as growth forecasts see cuts to 1.1% for 2019 from an estimate of 1.7% just 3-months ago. ECB President Mario Draghi noted that there had been a “sizeable moderation in economic expansion that will extend into the current year.” Stocks in Europe booked declines following the ECB news, with the Stoxx Europe off around -0.5%, the German Dax down -0.6%, while in London the FTSE 100 declined -0.5% following a number of disappointing result announcements.

#### PRECIOUS

While technically still considered an inside day for bullion in Asia on Friday, the yellow metal showed signs of a recovery from recent tests toward USD \$1,280 as investors considered Thursday’s developments in Europe. Price action was generally reserved for late afternoon trade, while we continued to see Shanghai trade with an onshore premium testing above USD \$11 relative to London spot to underpin the metal. Resting bids around USD \$1,285 - \$1,286 restricted declines in early Chinese pricing as USD/China firmed, however we are seeing yuan moves begin to uncouple somewhat from bullion and the metal remained resilient throughout the session. Broad based support around USD \$1,280 - \$1,285 was reinforced on Thursday, however we expect to see volatile pricing around the U.S. payrolls print today, with the potential for a test of this level should the figure outpace expectations. Resistance/pivot levels remain around USD \$1,290 - \$1,295 for moves toward the psychological \$1,300. While spending time underneath the 100 DMA yesterday, silver continued to see interest extend toward USD \$15 and held the figure following an early New York test. Resistance around USD \$15.15 will be the key for a consolidated move higher, however similarly to gold, the U.S. payrolls figure will play a major role in price



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direction today. All eyes tonight on the U.S. jobs data and unemployment rate, while we also see U.S. housing starts and U.S. earnings figures.

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