



## MKS PAMP GROUP

### Asia Market Update

10<sup>th</sup> May 2019

Range Europe / US Markets  
(from Globex open)

	GOLD	SILVER	PLATINUM	PALLADIUM
<b>OPEN</b>	1284.30/70	14.75/78	845/47	1294/00
<b>HIGH</b>	1286.50/90	14.82/85	860/62	1316/22
<b>LOW</b>	1283.10/50	14.74/77	845/47	1294/00
<b>LAST</b>	1283.60/00	14.76/79	857/59	1308/14

#### MARKETS/MACRO

US equities were lower as trade fears persist, the Dow lost 138.97 points, or 0.54%, to 25,828.36, the S&P 500 fell 8.70 points, or 0.30%, to 2,870.72, while the Nasdaq shed 32.73 points, or 0.41%, to 7,910.59. Losses for materials (-0.80%) and tech (-0.68%) led a near broad decline in the markets. European equities were sharply lower, the EuroSTOXX dropped 6.31 points, or 1.65%, to 375.92, the German DAX declined 206.01 points, or 1.69%, to 11,973.92, and the London FTSE 100 gave up 63.59 points, or 0.87%, to 7,207.41. In the currencies, the US dollar came under broad pressure following the release some underwhelming PPI figures for April. The US dollar index eased 0.17% to 97.42, the EUR traded as high as 1.1244, while USD/JPY traded down to 109.53. US treasury yields were lower, the 2 year yield slipped 2.2 bps to 2.264% while the 10 year yield shed 1.6 bps to 2.451%. Oil prices were mixed, Brent firmed 0.5% to \$70.24 while WTI sold off 0.2% to \$61.60. In US economic data, the producer price index rose an underwhelming 0.2% in April following a 0.6% increase in March. The core PPI rate rose 0.4% in April, with the yearly core rate rising to 2.2% from 2%. Wholesale inventories fell 0.1% in March after a 0.4% increase in February. The US trade deficit widened 1.5% to \$50 billion in March. Initial jobless claims fell by 2k to 218k in the week ending May 4, continuing claims rose by 12k to 1.68 million. In Asia today, as I write the Nikkei is at -0.27%, the Shanghai composite is at +2.51%, the Hang Seng is at +1.14%, and the ASX S&P 200 closed at +0.25%. Tonight we have consumer price index, core CPI, and the federal budget out of the US; along with construction output, inflation, and core inflation out of the Eurozone.

#### PRECIOUS

Gold posted the session low of \$1279 in early Asian trading before finding support, with the SGE premium was around ~\$8 over loco London. The market was at \$1282 when London came in and traded up to \$1285 during the AM session before retracing to opening levels. The US dollar was sold sharply in early NY hours which sent gold shooting up to the days high \$1287. The yellow metal finished up the session at \$1283. Silver looked soft, the grey metal easing to a close at \$14.75. PGMs ended up in the red, with platinum and palladium closing at \$844 and \$1293 respectively. The Philadelphia gold and silver index fell 0.51%. SPDR gold trust holdings were unchanged at 739.94 metric tonnes. In Asia today, gold tested yesterdays highs around \$1286 but found plenty of sellers, the yellow metal is sitting at \$1283 as I write. Silver reached \$14.82 before coming off the highs, the grey metal is currently at \$14.76. PGMs have found solid support in Asia, platinum has traded up to \$860 while palladium hit \$1316. Have a good day ahead.



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