



MKS PAMP GROUP

Asia Market Update

11th March 2019

Range Asian Hours
(from Globex open)

	GOLD	SILVER	PLATINUM	PALLADIUM
OPEN	1297.70/90	15.30/32	815/17	1514/19
HIGH	1299.20/40	15.33/35	816/18	1522/27
LOW	1295.40/60	15.26/28	812/14	1506/11
LAST	1298.10/30	15.32/34	815/17	1520/25

MARKETS/MACRO

Jobs data out of the U.S. underwhelmed on Friday, with only 20k payroll gains (exp: 180k) to mark the fewest since September 2017. There were revisions to the previous two months of +12k total, while the unemployment rate declined to 3.8% (exp: 3.9%) from 4.0% previously and the U-6 measure or underemployment rate, which includes part-time workers who wish to work full-time and those searching for work sunk to 7.3% from 8.1% previously, the lowest level since 2001. Meanwhile average hourly earnings increased +0.4% MoM during February (exp: +0.3%) from +0.1% previously, seeing the annualised figure to +3.4% YoY (exp: +3.3%) from +3.1% previously, the largest annual increase since 2009. Housing starts in the U.S. surged +18.6% during January (exp: +10.9%) from a -14.0% fall in December, while building permits increased +1.4% MoM (exp: -2.9%) from a +0.3% gain the month prior. Stocks in the U.S. posted a fifth consecutive session decline on Friday, as major bourses logged their worst week of the year. The DJIA ended the session down -0.09% to 25,450.24 points for a -2.2% weekly fall, while the S&P 500 declined -0.21% to 2,743.07 points, also -2.2% lower on the week. The greenback tracked lower on Friday (DXY -0.25%) following the U.S. jobs data print, losing ground against the euro (EUR/USD +0.39%) as the common currency rebounded from an ECB induced 20-month low, while the yen extended gains made in Asia to end +0.35% higher. European markets ended softer on Friday, under-pressure from softer than expected Chinese and German data and weak U.S. jobs growth. The Stoxx Europe 600 sunk -0.89% to 370.57 points, the German Dax ended -0.52% down at 11,457.84 points, while in London the FTSE 100 finished -0.74% down at 7,104.31 points as concerns of Brexit linger.

PRECIOUS

Gold held relatively firm during Asian trade today, consolidating Friday's U.S. payrolls led gains to re-test a move back toward USD \$1,300. Mild early session profit taking saw the yellow metal pull back from opening levels around USD \$1,298, however resting bids toward USD \$1,296 kept price action buoyant leading into Chinese hours. With USD/CNH holding above 6.73 and a mild early dollar bias, gold spent the first hour of trade in Shanghai testing down-side support, extending to a session low of USD \$1,295.40 whereby interest restricted any further declines. As the on-shore premium remained firm above USD \$13 over London gold, demand out of the far East supported bullion back toward opening levels, before moving briefly through USD \$1,299 in afternoon trade as the dollar turned offered. The psychological USD \$1,300 will be the key pivot for gold over the near-term, with focus on whether ETF's continue to see outflows and whether equity markets in the U.S. can snap their 5-session losing streak. Support for the metal will be broadly evident through USD \$1,290 - \$1,295. Silver held either-side of USD \$15.30 today and is likely to see resistance around USD \$15.50, while support extends to the 200 DMA at



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USD \$15.15 and the 100 DMA at USD \$15.09. Data today includes German industrial production, German trade data and U.S. retail sales.

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