



MKS PAMP GROUP

Asia Market Update

22nd August 2018

Range Asian Hours
(from Globex open)

	GOLD	SILVER	PLATINUM	PALLADIUM
OPEN	1196.40/60	14.76/78	796/98	913/15
HIGH	1197.30/50	14.80/82	798/00	915/17
LOW	1193.40/60	14.75/77	794/96	911/13
LAST	1193.40/60	14.75/77	794/96	911/13

MARKETS/MACRO

Equities in the U.S. continued to strengthen on Tuesday, notching a fourth successive session gain as optimism over U.S. – China trade talks buoyed sentiment. The DJIA booked a +0.25% gain to 25,822.29 points, while the S&P 500 touched an intraday record high before tempering gains late in trade to end +0.21% higher at 2,862.96 points. The greenback extended recent declines on Tuesday as comments from President Trump continued to reverberate across currency markets. The DXY index ended the session off -0.5% after making notable declines against the euro (-0.5%) and the pound (-0.3%), while emerging market currencies were broadly higher. Equities in Europe ended generally higher on Wednesday, seeing gains underpinned by financial and pharmaceutical stocks. The Stoxx Europe 600 added +0.24% to 384.15 points for a second successive gain, the German Dax climbed +0.43% to 12,384.49 points and the French CAC 40 jumped +0.54% to 5,413.58 points. In the U.K. weakness to energy and commodity stocks weighed upon the FTSE 100 to see the bourse close -0.34% lower.

PRECIOUS

A largely muted session for bullion on Wednesday, with the yellow metal holding a narrow range amid uninspiring trade. Tuesday's Trump-Cohen related headlines continued to underpin price action throughout Asian trade as currency markets tracked sideways to provide little in the way of direction for bullion. A brief push through the New York high leading into the Chinese open saw the session high of USD \$1,197.30 printed, and while we continued to see physical demand out of Asia, gold pulled back marginally to sit around USD \$1,195 throughout the remainder of the session. Participants will be watching how equities in the U.S. open today following the late session weakness, with any further Trump-Cohen headlines likely to weigh upon markets and be broadly supportive toward the precious complex. The psychological USD \$1,200 pivot point continues to restrict near-term gains, while a move through this level is likely to see shorts tested, with a potential squeeze toward USD \$1,210.

Although the information in this report has been obtained from and is based upon sources MKS believes to be reliable, we do not guarantee its accuracy and it may be incomplete or condensed. All opinions and estimates constitute MKS' judgment as of the date of this report and are subject to change without notice. This report is for informational purposes only and is not intended as investment advice, offer or solicitation for the purchase or sale of an investment. This report does not consider or take into account the investment objectives or financial situation of a particular party.