



## MKS PAMP GROUP

### Daily Asia Wrap

24<sup>th</sup> December 2018

Range Asian Hours  
(from Globex open)

	<b>GOLD</b>	<b>SILVER</b>	<b>PLATINUM</b>	<b>PALLADIUM</b>
<b>OPEN</b>	1258.50/00	14.66/69	789/92	1233/38
<b>HIGH</b>	1264.00/50	14.62/65	793/96	1239/45
<b>LOW</b>	1257.90/40	14.72/75	786/89	1224/29
<b>LAST</b>	1264.00/50	14.69/72	790/93	1232/37

#### MARKETS/MACRO

US equities finished sharply lower on Friday as the Dow endured its worst week since 2008. The Dow lost 414.23 points, or 1.81%, to 22,445.37, the S&P 500 fell 50.80 points, or 2.06%, to 2,416.62, while the Nasdaq dropped 195.42 points, or 2.99%, to 6,332.99. Big losses for communications (-3.07%), tech (-2.99%) and consumer discretionary (-2.58%) led a broad decline in the markets. European equities were higher, the EuroSTOXX crept up 0.09 points, or 0.03%, to 336.67, the German DAX rose 22.72 points, or 0.21%, to 10,633.82, and the London FTSE 100 9.24 points, or 0.14%, to 6,721.17. In the currencies, the US dollar index rose 0.52% to 96.952, the EUR traded down to 1.1357, while USD/JPY was as low as 110.82. US treasury yields were lower, the 2 year yield eased 3.3 bps to 2.637% while the 10 year yield lost 1.7 bps to 2.783%. Oil prices were lower, Brent sold off 0.74% to \$53.95 while WTI fell 0.63% to \$45.59. Base metals were lower with zinc (-1.5%) leading the losses. In US economic data, US third quarter annualized GDP growth was revised to 3.4% from the original 3.5% estimate. The Commerce Department advised that the revision was primarily due to slightly weaker than estimated consumer spending during the quarter. Durable goods orders rose 0.8% in December following the 4.3% drop in October, core capital goods orders fell 0.6%. Consumer spending rose 0.4% in November following an upwardly revised 0.8% increase in October. Personal income increased 0.2% in November after a 0.5% rise in October. The core PCE index rose 0.1% in November following an identical rise in October. The University of Michigan consumer sentiment index rose to 98.3 in December, an increase over the preliminary 97.5 reading reported the week prior. In Asia today, as I write the Nikkei is closed, the Shanghai composite is at +0.17%, the Hang Seng is at -102.04%, and the ASX S&P 200 is at +0.48%. Tonight we have the Chicago Fed national activity index out of the US.

#### PRECIOUS

Gold printed the session high \$1262 in early Asian hours before drifting lower as the day progressed. The SGE premium was around \$3-4 over loco London. London squeezed the market to \$1262 again just after the open but found plenty of resting orders at that level. Gold was sold down to \$1255 during the AM session as the greenback made a move higher. After a brief pop higher on the NY open, the yellow metal was sold down to the day's low of \$1254 as the US dollar rally continued. Gold finished the day a few dollars in the red at \$1255. Silver finished near the lows at \$14.60 after some whippy trading through the session. Palladium was the big casualty, shedding \$33 to close at \$1231. The Philadelphia



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gold and silver index fell 1.60%. The SPDR Gold Trust holdings were up 0.46% to 772.67 metric tonnes. In Asia today, gold opened at \$1258.50 and has remained bid through the day. The SGE premium is at \$4 over loco London. The yellow metal is sitting right on the high of \$1264.00 as I write. Silver was as high as \$14.72 and is currently trading at \$14.69. PGMs are flat. Have good day ahead.

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