



## MKS PAMP GROUP

### Asia Market Update

7<sup>th</sup> February 2019

Range Asian Hours  
(from Globex open)

	<b>GOLD</b>	<b>SILVER</b>	<b>PLATINUM</b>	<b>PALLADIUM</b>
<b>OPEN</b>	1307.10/30	15.67/69	806/08	1374/78
<b>HIGH</b>	1307.70/90	15.68/70	806/08	1381/85
<b>LOW</b>	1302.80/00	15.64/66	804/06	1374/78
<b>LAST</b>	1304.50/70	15.66/68	804/06	1379/83

#### MARKETS/MACRO

Stocks in the U.S. ended with modest declines on Wednesday in choppy trade, under pressure following mixed corporate earnings results and lingering concerns over trade. The DJIA eased -0.08% to 25,390.30 points, softness across communications (-1.49%) saw the S&P 500 down 0.22% to 2,731.61 and the Nasdaq Composite declined -0.36% to 7,375.281 points. Data out of the U.S. on Wednesday showed the U.S. trade deficit narrowed during November, marking the first decline in five months. The trade gap shrunk by 11.5% to USD -\$49.3 billion from USD -\$55.7 billion in October, largely a result of a -2.9% fall in imports, while exports eased -0.6%. The greenback continued to firm on Wednesday (DXY +0.36%), notably firmer against the Australian dollar (AUD/USD -1.58%) following the RBA moving to a neutral positioning on rates and the euro remained under pressure (EUR/USD -0.33%). European markets ended mixed on Wednesday following mixed earnings results and soft German data. The Stoxx Europe 600 edged +0.15% higher to 365.52 points, while a -1.6% MoM fall in German factory orders during December pressured the Dax to a -0.38% fall to 11,324.72 points. In London the FTSE 100 eased just -0.06% to 7,173.09 points, marking the first negative session in six as participants await Thursday's BOE decision.

#### PRECIOUS

Bullion remained weak during Asian trade today to extend through the late New York low printed the session prior. Early session interest saw the metal hold a narrow range either side of USD \$1,307, before a sharp stop loss run took the metal underneath USD \$1,306, losing around USD \$3 before finding support around USD \$1,303.50. Price action was generally dollar driven as the buck remained firm, while there looked to be a lightening of positioning as the yellow metal tests back toward the psychological support of USD \$1,300. The metal printed a USD \$1,302.80 session low in afternoon hours, whereby support was evident to restrict further declines. Uncertainty over U.S. – China trade relations and the potential for another U.S. government shutdown continue to underpin interest toward USD \$1,300 and should see supportive price action remain over the near term. Having shed around USD \$0.55 from the USD \$16.91 high on January 31, silver continues to search for a base, broadly holding above around USD \$15.60 in Asia today. The grey metal may see extension toward USD \$15.50 - \$15.40 before resuming higher. Data today includes German industrial production, U.K. house prices, the BOE meeting and rates decision, U.S. initial jobless claims and U.S. Bloomberg consumer comfort.



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