



MKS PAMP GROUP

Daily Asia Wrap

14th August 2018

Range Asian Hours
(from Globex open)

	GOLD	SILVER	PLATINUM	PALLADIUM
OPEN	1193.80/20	14.99/02	800/03	891/93
HIGH	1195.90/30	15.05/08	803/06	892/94
LOW	1192.30/70	14.97/00	793/96	885/87
LAST	1195.10/50	15.02/05	800/03	889/91

MARKETS/MACRO

The Turkish central bank advised that it would take all necessary measures to maintain financial stability, including providing all the liquidity needed by banks, as the economic crisis continues. US equities continued to slide as the crisis in Turkey played havoc with investor sentiment worldwide. The Dow lost 125.44 points, or 0.50%, to 25,187.70, the S&P 500 slipped 11.35 points, or 0.40%, to 2,821.93, while the Nasdaq fell 19.104 points, or 0.25%, to 7,819.706. Losses in energy (-1.22%) and materials (-1.04%) led a near broad decline in the markets. European equities were lower, the EuroSTOXX dropped 0.95 points, or 0.25%, to 384.91, the German DAX shed 65.61 points, or 0.53%, to 12,358.74, and the London FTSE 100 sold off 24.56, or 0.32%, to 7,642.45. Currencies markets were a little more subdued with USD/TRY consolidating around the 7 level. The US dollar crept up 0.05% to 96.31, the EUR reached as high as 1.1431 before retreating below 1.14, USD/JPY dipped to 110.12 before recovering to 110.90. US treasury yields were higher, the 2 year yield firmed 0.4 bps to 2.608% while the 10 year yield added 0.2 bps to 2.875%. Oil prices were lower, Brent fell 0.07% to \$72.76 while WTI declined 0.40% to \$67.36. Base metals were broadly lower, with zinc (-2.51%) leading the losses. There was no significant economic data released overnight. In Asia today, as I write the Nikkei is at +1.48%, the Shanghai composite is at -0.50%, the Hang Seng is at -0.91%, and the ASX S&P 200 is at +0.76%. Tonight we have the NFIB small business index, import price index, and household debt out of the US; and GDP growth, the ZEW economic sentiment index, and industrial production out of the Eurozone.

PRECIOUS

A dismal session for the precious as gold breaks below \$1200 for the first time since March 2017. Gold opened at \$1211 in Asia, traded briefly to what would ultimately be the session high at \$1213, then settled around the \$1208-9 level as USD/CNH continued to firm. The SGE premium opened around \$1-2 and eased through the day. London were on the offer from the opening bell, selling the metal to \$1196 in the AM session. Initially we saw buying below \$1200 as the market bounced back to \$1202, however the recovery was short lived as the yellow metal slid to a 15 month low \$1192 in NY hours. Gold finished the day almost 1.5% lower and only just above the lows at \$1193. Silver shed over 2% and traded below the \$15 level for the first time since April 2016. The PGMs were also heavily sold, with platinum and palladium finishing at \$799 and \$890 respectively. The Philadelphia gold and silver index tumbled 3.05%. The SPDR Gold Trust sold 0.19%, to 784.60 metric tonnes. In Asia today, gold is trading between \$1193-96 as USD/CNH comes off yesterday's high. The SGE premium is firmer at \$4-5 over loco London. The yellow metal is sitting at \$1195.10 as I write. Silver has traded either side of the \$15 level through the day, the grey metal is at \$15.02 as I write. Have a good day ahead.



MKS PAMP
GROUP

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.