



MKS PAMP GROUP

Daily Asia Wrap

29th June 2018

Range Asian Hours
(from Globex open)

	GOLD	SILVER	PLATINUM	PALLADIUM
OPEN	1247.80/20	15.99/02	847/50	944/46
HIGH	1251.20/60	16.09/12	850/53	948/50
LOW	1246.60/00	15.94/97	839/42	938/40
LAST	1250.80/20	16.09/12	846/49	945/47

MARKETS/MACRO

US equities pared early losses to finish higher as the financial sector snapped a 13 day losing streak. The Dow added 98.46 points, or 0.41%, to 24,216.05, the S&P 500 rose 16.68 points, or 0.62% to 2,716.31, while the Nasdaq gained 58.598 points, or 0.79%, to 7,503.683. There were wins for telecoms (+2.29%) and tech (+1.08%) while energy (-0.12%) led the laggards. European equities were lower, the EuroSTOXX gave up 3.10 points, or 0.82%, to 376.87, the German DAX slumped 171.38 points, or 1.39%, to 12,177.23, and the London FTSE 100 fell 6.06 points, or 0.08%, to 7,615.63. In the currencies, the US dollar index crept up 0.04% to 95.332, the EUR was as low as 1.1529 before a bounce later in the day, while USD/JPY traded up to 110.63. US treasury yields were higher, the 2 year yield firmed 0.81 bps to 2.5121% and the 10 year yield advanced 1.09 bps to 2.8365%. Oil prices were mixed, Brent rose 0.21% to \$77.78 while WTI sold off 0.15% to \$73.17. Base metals were mostly lower, with copper (-1.04%) leading the losses. In US economic data, GDP growth for the first quarter of 2018 was revised to a seasonally adjusted annualised rate of 2% from the initial 2.2% estimate. Initial jobless claims rose 9k to 227k in the week ending June 23. Continuing claims fell by 21k to 1.71M. In Asia today, as I write the Nikkei is at -0.34%, the Shanghai composite is at +0.98%, the Hang Seng is at +0.99%, and the ASX S&P 200 is at +0.03%. Tonight we have personal income, consumer spending, core inflation, Chicago PMI, and consumer sentiment out of the US; and inflation data out of the Eurozone.

PRECIOUS

Gold opened at \$1251 in Asia and remained between \$1251-54 for most of the day with the SGE premium slightly firmer at \$3-4. We saw a late dip below \$1250 just as London came in, but the metal was back up around \$1252 by the time NY opened. The yellow metal drifted lower through the remainder of the session, printing yet another 2018 low, at \$1246, in the process. Silver was sold to a session low of \$15.92 and closed below the \$16 level for the first time since December last year. The PGM's came off as well, platinum and palladium finished at \$844 and \$944 respectively. The Philadelphia gold and silver index lost 0.13%. The SPDR Gold Trust sold 0.14% of holdings to 820.51mt. In today's trading, Gold traded around \$1246-49 through the morning session with the SGE premium a little lower at \$2-3 over loco London. The EUR has surged above 1.16 this afternoon after EU leaders reached a deal on immigration at their summit, this has had a positive effect on the yellow metal which has risen to \$1250.80 as I write. Silver has enjoyed a late rise also, the grey metal sits at \$16.09 as I write. Gold has come off almost 5% from the June high printed 2 weeks ago, due mostly to broad strength in the US dollar, though there is feeling in some quarters that we may be nearing the bottom of this recent downturn. Support-wise, the metal appears fairly well bid around \$1245-48 and there should be support at the December 17 low of \$1237 below that. On the upside, expect some initial resistance around \$1254 followed by this week's high of \$1272. Have a good day ahead.



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