



MKS PAMP GROUP

Daily Asia Wrap

11th June 2018

Range Asian Hours
(from Globex open)

	GOLD	SILVER	PLATINUM	PALLADIUM
OPEN	1299.60/80	16.74/76	907/09	1014/16
HIGH	1301.10/30	16.91/93	910/12	1016/17
LOW	1297.50/70	16.73/75	906/08	1012/14
LAST	1298.40/60	16.87/89	909/11	1015/17

MARKETS/MACRO

Wholesale inventories in the U.S. printed modestly higher than initially estimated during April, increasing +0.1% MoM (exp: flat) from a flat April read previously and a +0.2% increase in March. Wholesale inventories (ex-autos), the figure that is used in the calculation of GDP was also up +0.1%. Equities in the U.S. tracked higher on Friday as participants put aside concerns over the G7 summit and the upcoming meeting between President Trump and North Korean leader Kim Jong-un. The DJIA added +0.30% to 25,316.53 points, marking the highest close since March in addition to its biggest weekly gain since March in adding 2.8%. Strength to consumer staples (+1.3%) helped see the S&P 500 +0.31% higher at 2,779.03 points amid a number of positive earnings reports, taking the bourse +1.6% higher on the week, while the Nasdaq Composite tacked on +1.4% to 7,645.51 points, closing +1.2% higher on the week. The greenback saw mixed pricing on Friday as the G7 summit in Canada got underway amid simmering trade tensions. The DXY index ended the session +0.2% higher after paring European gains during the new York hours, notably losing ground against the yen. The latest CFTC data showed speculators sold \$0.2 billion of USD contracts to put an end to 6-weeks of buying and increased short positioning to \$5.7 billion. Treasury yields in the U.S. inched higher on Friday as bonds were sold late in trade, seeing the 10-year to 2.946%. Markets in Europe closed in the red on Friday on the back of fresh concerns out of Italy and uncertainty into the G7 meeting. The Stoxx Europe 600 pulled back -0.21% to 385.12 points, while the German Dax declined -0.35% to 21,355.98 points and the Italian FTSE MIB index sunk -1.89%. In the U.K. the FTSE 100 was sold off on the back of contagion out of Europe, sliding -0.30% to 7,681.07 points.

PRECIOUS

Silver outperformed during Asian hours today, ripping higher on a stop loss run though the 200 DMA to touch a USD \$16.91/93 session high. The grey metal has traded bid in European/U.S. hours in recent sessions, however has continued to struggle in Asian hours amid selling pressure out of China. The metal now turns focus to extending upon these gains and squeezing shorts for a move through USD \$17 and consolidation above the figure. As we have become accustomed to seeing over recent sessions, bullion once again made headway above USD \$1,300 only to be met with heavy supply above the figure. With no



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real catalyst for the break above USD \$1,300, it looked likely that the yellow metal piggybacked the move higher in silver before easing back underneath the figure leading into European trade. Expect the precious complex to see volatile trade this week with a number of events on the calendar including ongoing headlines following the G7 summit, the meeting between President Trump and North Korean leader Kim Jong-un, the June FOMC meeting and the ECB meeting with focus on comments regarding the future of QE.

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