



MKS PAMP
GROUP

Daily Asia Wrap - 29th April 2019



Range Asian Hours
(from Globex open)

	GOLD	SILVER	PLATINUM	PALLADIUM
OPEN	1286.00/20	15.06/08	898/00	1462/67
HIGH	1286.40/60	15.07/09	900/02	1463/68
LOW	1283.10/30	15.01/03	896/98	1446/51
LAST	1283.50/70	15.03/05	897/99	1452/57

MARKETS/MACRO

Stocks in the U.S. finished the week strongly on the back of the firmer than expected U.S. GDP print for Q1 and further positive earnings results. Positive figures from Amazon (+2.54%) and Ford (+10.92%) helped support markets higher as the DJIA tacked on +0.31% to 26,543.33 points, however eased modestly over the week. Gains across healthcare (+0.96%) and financials (+0.94%) sent the S&P 500 +0.47% higher to a fresh record closing level at 2,393.88 points, ending +1.2% higher over the week. The Nasdaq Composite also booked a fresh record close at 8,146.398 points, gaining +0.34% on the session for a weekly return of +1.9%. U.S. first quarter GDP outpaced expectations to increase +3.2% QoQ (exp: +2.3%), the best result for the period in four years. The print was underpinned by an increase in exports (+3.7%) and a contraction to imports (-3.7%), while personal consumption disappointed to increase +1.2% following a +2.5% increase previously. The closely watched core PCE increased +1.3% QoQ to follow a +1.8% gain previously. The greenback eased modestly on Friday after seeing weakness following the GDP data as investors focused on the softer consumption figures. The DXY slipped -

0.1% as both the euro (EUR/USD +0.16%) and pound (GBP/USD +0.18%) firmed, while the yen saw mild interest (USD/JPY -0.05%). Treasury yields in the U.S. declined on Friday, seeing the two-year 4.2bps down to a four-week low of 2.288%, while the 10-year declined 3.1bps to 2.506%. Markets in Europe ended higher on Friday amid mixed corporate earnings. The Stoxx Europe 600 finished +0.22% higher at 391.01 points, while the German Dax gained +0.27% to 12,315.18 points and in the U.K. the FTSE 100 eased -0.08% to 7,428.19 points in face of a firmer pound.

PRECIOUS

A quiet session across the precious complex to begin the week, with the metals gaining some buoyancy from an offered dollar, however unable to materially benefit. Early session liquidity was down due to a Japanese holiday, seeing gold test to USD \$1,285 amid light volumes. The level saw modest interest to restrict any further tests lower leading into the Chinese open, with interest in Shanghai underpinning a mild bid tone to see gold add a few dollars toward USD \$1,287 as the on-shore premium held around USD \$14. Strength across global equities and ongoing ETF redemptions will likely weigh upon this recent rally and it looks increasingly likely that bullion will see a further test back toward USD \$1,270 - \$1,275 over the near term. We see Japan Golden Week and Chinese Labor Day holidays throughout the week to remove physical interest during Asian hours, while the U.S. FOMC and Payrolls print tops a heavy week of data. Silver remained buoyant above the psychological USD \$15 figure during Asian trade today, however has so far failed to make headway through USD \$15.10. Supportive interest around the figure through to the 200 DMA (USD \$14.97) is likely to be tested over the near term, with the potential for extension toward USD \$14.75. Data today includes U.S. personal income and spending (includes PCE deflator) and the Dallas Fed manufacturing index.

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