



## MKS PAMP GROUP

### Daily Asia Wrap

13<sup>th</sup> July 2018

Range Asian Hours  
(from Globex open)

|             | <b>GOLD</b> | <b>SILVER</b> | <b>PLATINUM</b> | <b>PALLADIUM</b> |
|-------------|-------------|---------------|-----------------|------------------|
| <b>OPEN</b> | 1247.00/20  | 15.94/96      | 841/43          | 950/52           |
| <b>HIGH</b> | 1248.10/30  | 15.99/01      | 843/45          | 951/53           |
| <b>LOW</b>  | 1244.80/00  | 15.87/89      | 837/39          | 945/47           |
| <b>LAST</b> | 1244.80/00  | 15.87/89      | 837/39          | 945/47           |

#### MARKETS/MACRO

Consumer prices in the U.S. increased +0.1% MoM during June (exp: +0.2%), while on an annualised basis prices increased +2.9% YoY to mark the biggest gain since February 2012. Excluding the volatile food and energy components prices increased +0.2% MoM (exp: +0.2%), lifting the annualised figure to +2.3% from +2.2% previously, marking the largest rise since January 2017. Initial jobless claims in the U.S. decreased by 18,000 to 214,000 (exp: 225,000) during the week ended July 7. The weekly print saw the four-week moving average ease 1,750 to 223,000, while continuing claims fell 3,000 to 1.73 million. Trade concerns were cast aside on Thursday as equity markets in the U.S. booked solid returns on the back of technology gains. The DJIA added +0.91% to 24,924.89 points, while technology stocks (+1.79%) led the S&P 500 +0.87% higher to 2,79.29 points as 10 of eleven components of the bourse ended higher. The Nasdaq Composite was the stand out, jumping +1.39% to a record closing level of 7,823.916 points. The greenback booked a modest advance on Thursday, notably hitting a fresh six-month high against the yen. The DXY index gained around +0.1% as the buck added +0.5% against the yen, while easing against the Chinese currencies.

#### PRECIOUS

A relatively subdued session for bullion on Friday in Asia, while the greenback continued to make ground against majors to weigh upon the metal. Modest gains in early Chinese trade saw bullion break briefly through USD \$1,248 as USD/CNH declined underneath 6.6700, however notably USD/CNY turned well bid to temper early session gains and drag the metal lower. Price action continued to be dictated by dollar flows throughout the afternoon as a strengthening greenback saw gold slide underneath USD \$1,245 leading into London hours. The metal continues to see interest toward USD \$1,237 - \$1,240 to provide supportive price action, however is likely to remain within its recent range, still unable to make any meaningful top-side gains as the dollar



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reigns supreme. ETF flows are also creating headwinds for the metal, with a further decrease of 140,000 ounces on Thursday. Silver was unable to recapture the USD \$16 handle today and looks to target down-side support toward USD \$15.80, while both platinum and palladium turned offered in afternoon trade.

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