



MKS PAMP GROUP

Daily Asia Wrap

22nd September 2017

Range Asian Hours
(from Globex open)

	GOLD	SILVER	PLATINUM	PALLADIUM
OPEN	1291.60/80	17.00/02	938/40	914/16
HIGH	1298.30/50	17.05/07	944/46	917/19
LOW	1291.60/80	16.96/98	938/40	914/16
LAST	1297.10/30	17.01/03	941/43	917/19

MACRO

A storm affected initial jobless claims print in the U.S. declined 23,000 to 259,000 (exp: 302,000) during the week ended September 16. Claims in Texas had surged in the wake of Hurricane Harvey with some workers left temporarily unemployed, however unadjusted claims for Texas decreased 23,549 last week and unadjusted claims for Florida increased 5,133 following Hurricane Irma. Last weeks' print saw the four-week moving average increase 6,000 to 268,750, while continuing claims jumped 44,000 to 1.980 million (exp: 1.975 million) during the week ended September 9. The Philadelphia Fed business outlook surged higher during September, with the headline print jumping to 23.8 (exp: 17.1) from 18.9 previously. The shipments index surged to 37.8 from 29.4 to mark the second highest level since 2004, while the new orders index popped to 29.4 from 20.4. House prices in the U.S. inched +0.2% MoM higher during July (exp: +0.4%) according to the latest Federal Housing Finance Agency data, following a +0.1% gain during June. U.S. equity markets retreated from record highs on Thursday, seeing broad based declines as the DJIA snapped a nine session winning streak. Declines to nine of eleven components of the S&P 500 saw the bourse end the session -0.30% lower at 2,500.60 points, while the DJIA pulled back -0.24% to 22,359.23 points and the Nasdaq Composite dropped -0.52% to 6,422.693 points. U.S. treasury yields ended little changed on Thursday, leaving the 2-year yield hovering around an almost nine-year high at 1.442%, while the ten-year held around 2.278%. European markets ended trade mixed on Thursday, as bank stocks turned bid following the FOMC announcement and associated commentary. The Stoxx Europe 600 closed +0.24% higher at 382.88 points to mark the highest close since late July, while the German Dax tacked on +0.25%, with gains tempered by a marginally stronger euro. In the U.K. the FTSE 100 endured whippy trade to end just -0.11% down as gains to banks to were offset by weakness across commodity related stocks due to a stronger greenback.

PRECIOUS

News out of South Korea reporting that North Korea may consider testing a hydrogen bomb in the Pacific saw investors push back into safe haven assets during early Asian trade today. There were no concrete details regarding a test, rather North Korean foreign minister Ri Yong Ho was cited as saying that such a test "could be the most powerful detonation of an H-bomb in the



Pacific," The headlines saw USD/JPY sink to a 112.02 low after trading toward 112.55 pre-news, while gold jumped to USD \$1,296.80, adding around USD \$4. Chinese interest was once again prevalent to underpin the early session bid tone, seeing bullion to a USD \$1,298.30 high as the on-shore premium held toward USD \$6 relative to loco London gold. Afternoon trade saw USD/JPY extend earlier weakness to push below 112.00, keeping bullion price action buoyant into European hours. Top-side targets for the yellow metal extend to the USD \$1,300 pivot point and USD \$1,315 - \$1,320 above this, while initial support sits toward the Thursday New York low at USD \$1,288. Data releases today include Markit manufacturing / services / composite PMI prints from France, Germany and the Eurozone, Canadian CPI and U.S. Markit manufacturing / services / composite PMI prints.

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