



MKS PAMP
GROUP

Daily Asia Wrap - 13th July 2020



Range Asian Hours
(from Globex open)

	GOLD	SILVER	PLATINUM	PALLADIUM
OPEN	1798.25/9.25	18.74/77	829/32	1950/00
HIGH	1806.90/7.90	18.73/76	843/46	1968/18
LOW	1797.90/8.90	18.97/00	829/32	1940/90
LAST	1806.70/7.70	18.97/00	843/46	1964/14

MARKETS/MACRO

US equities were higher to close out the week as investors look toward a fourth phase of fiscal stimulus. The Dow added 369.21 points, or 1.44%, to 26,075.30, the S&P 500 rose 32.99 points, or 1.05%, to 3,185.04, while the Nasdaq gained 69.69 points, or 0.66%, to 10,617.44. There were wins for financials (+3.48%) and energy (+3.25%) while healthcare (-0.22%) led the laggards. European equities were higher, the EuroSTOXX advanced 3.19 points, or 0.88%, to 366.83, the German DAX put on 144.25 points, or 1.15%, to 12,633.71, and the London FTSE 100 rose 45.79 points, or 0.76%, to 6,095.41. In the currencies, the US dollar index eased 0.23% to 96.55. the EUR traded up to 1.1321, while USD/JPY was down to 106.69. US treasury yields were higher, the 2 year yield added 0.6 bps to 0.153% while the 10 year yield firmed 5.1 bps to 0.645%. Oil prices were higher, Brent gained 3.5% to \$43.24 while WTI rose 4.1% to \$40.55. Base metals were broadly higher, with nickel (+2.0%) leading the gains. In US economic data, PPI fell 0.2% in June and 0.8% year on year. In Asia today, as I write the Nikkei is at +2.01%, the Shanghai composite is at +1.88%, the Hang Seng is at +1.21%, and the ASX S&P 200 is at +1.10%. No significant data scheduled for release on Monday.

PRECIOUS

Gold opened at \$1803 and slipped below the \$18 to a low of \$1796 during Asian hours. London were straight on the bid as the US dollar came under broad pressure, squeezing the market to \$1809. After

a brief dip the metal popped up to the session high \$1810 just after the open in NY. As the greenback rebounded and US equities showed strength investors were happy to take profits on the yellow metal, which was sold to the low of \$1795 and again we saw support at these levels. There was an unsuccessful attempt to regain the \$1800 handle late in the day before gold closed out the session at \$1798. Silver was also sold off in early NY trading but found solid support around the opening levels, the grey metal gained ground late in the session to finish at \$18.72. In the PGMs, platinum remained offered after failing to hold above \$850, while palladium outpaced to move back toward \$2000. The Philadelphia gold and silver index eased 0.48% to 135.90. We are seeing strength across the precious complex in Asia today despite a clear risk-on tone in the equities markets. Gold has regained the \$1800 handle and is trading at \$1806.90 as I write. Silver is testing \$19, the grey metal currently sitting at the high of \$18.97. Have a good day ahead.

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