



MKS PAMP
GROUP

Daily Asia Wrap - 15th October 2020



Range Asian Hours
(from Globex open)

	GOLD	SILVER	PLATINUM	PALLADIUM
OPEN	1901.30/80	24.25/28	860/63	2349/74
HIGH	1902.10/60	24.29/32	864/67	2360/85
LOW	1891.80/30	23.98/01	857/60	2345/70
LAST	1901.30/80	24.18/21	861/64	2348/73

MARKETS/MACRO

Stocks in the U.S. saw further declines on Wednesday as congress remains at loggerheads over further stimulus, while earnings season saw mixed results across major financials. The Dow Jones Industrial Average ended the session -0.58% lower to 28,514.00 points, the S&P 500 declined -0.66% to 3,488.67 points, while the tech-laden Nasdaq Composite sunk -0.80% to 11,768.73 points. A soft session for the greenback as the DXY index eased -0.14%, relatively unchanged against the Euro and -0.28% down against the safe-haven Japanese Yen as the pair tested 105.00. Treasury yields were generally lower on Wednesday to see the two-year yield finish toward 0.137%, while the 10-year declined less than 1bp to 0.722%. On the data front, producer prices in the U.S. outpaced expectations during September, increasing +0.4% MoM (exp: +0.2%) to follow a +0.3% increase during August. On an annualized basis, producer prices jumped +0.4% YoY from -0.2% previously. Core PPI meanwhile (excluding food, energy and trade) improved +0.4% MoM and +0.7% YoY. In Europe there were mixed headlines on Brexit discussions, with negotiations now highly unlikely to be finalized prior to Prime Minister

Johnson's October 15 deadline. The pan-European Stoxx 600 ended the session -0.09% lower at 370.62 points, the German Dax inched +0.07% higher to 13,028.06 points, while in London the FTSE 100 declined -0.58% to 5,935.06 points as the pound gained +0.6% to see GBP/USD finish above 1.300

PRECIOUS

A mixed session across the precious complex during Asian trade today as Gold declined underneath USD \$1,900, while silver saw the USD \$24 psychological support level hold. Once again price action was largely limited to either-side of the Chinese open, seeing gold decline through the USD \$1,900 psychological figure, however interest toward USD \$1,890 restricted any further declines. Chinese on-shore participants traded around a USD -\$35 discount, while after opening firmer, the greenback tracked a narrow range throughout the session to provide little in the way of price direction across the precious complex. The yellow metal remains pinned to the USD \$1,900 level, broadly trading a USD \$1,880 - \$1,930 range as participants look to position themselves ahead of the U.S. election. Silver meanwhile held a narrow-range today to remain buoyant above USD \$24. The grey metal continues to sit above the upwards trend line from the March low and will look for support broadly through USD \$23.50 - \$24.00 over the near-term. Data today includes U.S. empire manufacturing, U.S. initial jobless claims, U.S. import prices, the Philadelphia business outlook and Bloomberg U.S. consumer comfort.

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