



MKS PAMP
GROUP

Daily Asia Wrap - 21st February 2020



Range Asian Hours
(from Globex open)

	GOLD	SILVER	PLATINUM	PALLADIUM
OPEN	1619.70/10	18.34/37	979/81	2689/99
HIGH	1626.10/50	18.46/49	984/86	2718/28
LOW	1618.80/20	18.34/37	978/80	2689/99
LAST	1626.00/40	18.45/48	980/82	2696/06

MARKETS/MACRO

US equities pared some of the heavy early losses but still finished well in the red as concerns around the spread of the COVID-19 virus outside China spook investors. The Dow lost 128.05 points, or 0.44%, to 29,219.98, the S&P 500 fell 12.92 points, or 0.38%, to 3,373.23, while the Nasdaq slipped 66.21 points, or 0.67%, to 9,750.96. There were wins for REITs (+1.15%) while tech (+1.01%) and healthcare (-0.62%) led the losses. European equities were lower, the EuroSTOXX gave up 3.71 points, or 0.86%, to 430.19, the German DAX declined 125.00 points, or 0.91%, to 13,664.00, and the London FTSE 100 shed 20.38 points, or 0.27%, to 7,436.64. In the currencies, the US dollar index firmed 0.29% to 99.88, the EUR was down to 1.0783 in choppy trading, while USD/JPY traded up to 112.18. US treasury yields were lower, the 2 year yield eased 1.6 bps to 1.395% while the 10 year yield lost 2.4 bps to 1.529%. Oil prices were higher, Brent added 0.1% to \$59.33 while WTI rose 0.4% to \$53.77. Base metals were broadly lower with nickel (-1.2%) leading the losses. In US economic data, the Philly Fed index climbed to 36.7 in February from 17 in January, it's highest reading in 3 years. The leading economic index rose 0.8% in January, well in excess of the 0.4% forecast. Initial jobless claims rose 4,000 to 210,000 in the 7 days ending February 15, while continuing claims rose 25,000 to 1.73 million. In Asia today, as I write the Nikkei is at -0.10%, the Shanghai composite is at +0.46%, the Hang Seng is at -0.73%, and the ASX S&P 200 is at -0.19%. Tonight we have existing home sales, Markit manufacturing PMI (flash) and Markit services PMI (flash) out of the US; with consumer

confidence, Markit manufacturing PMI (flash), Markit services PMI (flash), inflation, and core inflation out of the Eurozone.

PRECIOUS

Upbeat session for the precious as safe haven demand strengthened on COVID-19 fears. Gold saw whippy trade through Asian hours and printed the \$1604 low late in the afternoon. London were on the bid early and the metal surged to \$1618 during the AM session. After a pause in early NY trading gold was bought to the session high \$1623. The yellow metal ended the session well in front at \$1620. Silver dipped to 18.23 in early London trading before returning to opening levels. The grey metal was unable to push through the resistance around \$18.40 and ended the day at \$18.35. Platinum faced a heavy sell off, printing the low of \$982 during NY trading. The Philadelphia gold and silver index firmed 0.15% to 107.90. SPDR Gold Trust holdings increased 0.25% to a record 933.94 metric tonnes. Strong demand for the yellow metal continues in Asia today after the overnight run. Gold traded to a high of \$1626.10 and is currently sitting just below that level at \$1626.00. Silver is firmer as well, trading just under the high at \$18.45 as I write. Have a good day ahead.

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