



MKS PAMP
GROUP

Daily Asia Wrap - 29th May 2020



Range Asian Hours
(from Globex open)

	GOLD	SILVER	PLATINUM	PALLADIUM
OPEN	1719.10/0.10	17.34/37	814/44	1918/58
HIGH	1722.75/3.75	17.46/49	827/67	1931/71
LOW	1712.20/3.20	17.27/30	809/49	1901/41
LAST	1719.00/0.00	17.36/39	823/53	1931/71

MARKETS/MACRO

Stocks in the U.S. tumbled late in trade in the U.S. on Thursday as Donald Trump announced a news conference scheduled for Friday to discuss developments with regards China. The DJIA ended the session down -0.6% at 25,400.64 points, the S&P 500 declined -0.2% to 3,029.73 points, while the Nasdaq Composite fell -0.5% to 9,368.99 points. Stocks did trade firmer prior to the announcement as sentiment was buoyed by better than expected U.S. jobless data, as initial jobless claims printed 2.12 million during the week ended May 23, while continuing claims eased 3.86 million to 21.05 million. Further U.S. data saw durable goods claims collapse -17.2% during April, however the print was better than expected. Core goods orders meanwhile fell -5.8% relative to expectations centered around -15%. Revised data showed U.S. GDP declined an annualised -5% during Q1 compared to -4.8% previously, largely a result of negative revisions to inventory investment. In currency majors the greenback eased modestly on Thursday, declining toward 107.50 relative to the Japanese Yen, while the Euro pushed higher toward 1.11. Treasury yields ticked marginally higher on the back of the better than expected U.S. data, seeing the 10-year add 2.6bps to 0.703%. European stocks finished the session firmer as the ECB signaled it would expand the Pandemic Emergency Purchase Program, while BOE monetary policy committee member Michael Saunders commented that it is safer for the BOE to ease too much than too little.

PRECIOUS

A mixed session for gold during Asian trade on Friday, offered in early session pricing to test back toward the USD \$1,710 pivot level, however, generally well supported from the Chinese open onwards. The risk-off tone post-Trump China announcement continued throughout the majority of today's session, while racially induced unrest in a number of U.S. states and Trump's Twitter threats all combine to create an air of uncertainty that should continue to support bullion. Broad support through USD \$1,710 - \$1,693 remains in play, while top-side targets extend through USD \$1,730 - \$1,750. Silver once again tested a move through USD \$17.50 without success, however sits poised for a further attempt at the resistance level over the near term. The white metals struggle for direction and continue to be hindered by extreme spreads. Data of note today includes Eurozone inflation and U.S. core PCE.

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