

Daily Asia Wrap - 11th January 2021

Range Asian Hours
(from Globex open)

	GOLD	SILVER	PLATINUM	PALLADIUM
OPEN	1848.80/30	25.40/43	1067/72	2375/95
HIGH	1855.30/80	25.51/54	1069/74	2403/23
LOW	1817.90/40	24.34/37	1031/36	2351/71
LAST	1838.90/40	24.73/76	1044/49	2391/11

MARKETS/MACRO

U.S. stocks ended the week on a positive note as major bourses booked gains on Friday against the backdrop of a stronger dollar and higher yields. The Dow Jones Industrial Average added +0.18% to 31,097.97 points, the S&P 500 tacked on +0.55% to 3,824.68 points, while the Nasdaq Composite jumped +1.03% to 13,201.98 points. The greenback remained bid against majors to see the DXY index add +0.23% and end the session above the 90.0 handle. The Euro ended -0.42% lower and briefly tested underneath 1.22, while the safe-haven Japanese Yen eased -0.16% as USD/JPY attempted a move above 104.00. Treasury yields continued to push higher on further stimulus hopes from the Biden administration, steeping the curve as the 10-year gained 4bps to 1.117%, while the two-year finished unchanged toward 0.137%. On the data front, U.S. nonfarm payrolls declined by -140k during December relative to expectations centered around a +50k increase, while November was upwardly revised to 336k (prev: 245k). The U.S. unemployment rate held at 6.7% (exp: 6.8%), while the participation rate was unchanged at 61.5% and the underemployment rate eased to 11.7% from 12.0% previously.

PRECIOUS

The precious complex saw continued downwards pressure in Asia on Monday, as further greenback strength created headwinds that saw gold test through Friday's low print. The yellow metal failed to hold the USD \$1,850 handle in early session flows, however remained broadly supported above the 200 DMA toward USD \$1,839 leading into the Chinese open. Shanghai pricing dragged the metal sharply lower, breaking down toward USD \$1,820 as both the on-shore and off-shore pricing tightened in toward parity with loco London spot. Afternoon pricing took bullion back through the key 200 DMA pivot level, however offers through USD \$1,850 tempered any tests higher for the time being. A near-term bid bias to the dollar may see gold remain heavy as the DXY index holds above 90.0, however the longer-term uptrend in bullion remains intact for the time-being above USD \$1,750 - \$1,800. Silver lost touch with the USD \$25 handle today, however was broadly support around Friday's low toward USD \$24.50. Declines during October and November saw the USD \$22 handle and with the 200 DMA sitting toward the figure there is scope for a test should the near-term correction continue. There are no major data releases scheduled for today, while Trump impeachment headlines will likely dominate the wires.

Although the information in this report has been obtained from and is based upon sources MKS believes to be reliable, we do not guarantee its accuracy and it may be incomplete or condensed. All

opinions and estimates constitute MKS' judgment as of the date of this report and are subject to change without notice. This report is for informational purposes only and is not intended as investment advice, offer or solicitation for the purchase or sale of an investment. This report does not consider or take into account the investment objectives or financial situation of a particular party.

MKS PAMP GROUP B.V. | World Trade Center - B Tower, 867 Strawinskylaan, Amsterdam, 1077XX
Netherlands

[Unsubscribe {recipient's email}](#).

[Update Profile](#) | [About our service provider](#)

Sent by news@mkspamp.com