



MKS PAMP
GROUP

Daily Asia Wrap - 13th April 2020



Range Asian Hours
(from Globex open)

	GOLD	SILVER	PLATINUM	PALLADIUM
OPEN	1682.00/84.00	15.38/41	750/53	2150/80
HIGH	1692.80/94.80	15.48/51	751/54	2280/10
LOW	1676.90/78.90	15.15/18	738/41	2130/60
LAST	1683.30/85.30	15.24/27	745/48	2240/70

MARKETS/MACRO

The global death toll from COVID-19 passed 114,000 while the United States became the first country to record 20,000 deaths over the Easter Weekend. In US economic data released on Good Friday, the Labor Department reported that US CPI fell 0.4% in March, the biggest decline since January 2015, and rose 1.5% over the past 12 months. The drop is largely the result of the fall in gasoline prices in March, with the gasoline index falling 10.5%. Core inflation, which strips out food and energy prices, fell 0.1% in March, the first monthly decline in 10 years, and slipped to 2.1% year on year. On Sunday OPEC, Russia and other oil-producing countries agreed to a production cut of nearly 10 million barrels, roughly 10% of global supply. The move comes as the COVID-19 pandemic has caused prices to collapse in recent weeks, with oil falling to 18 year lows last month. In Asia today, the Nikkei is at -1.20%, the Shanghai composite is at -0.33%, while the ASX and Hang Seng are closed for the Easter Monday holiday. No significant economic data due for release tonight.

PRECIOUS

Gold spent Monday's Asian session consolidating Thursday's gains in the shadows of the weekend OPEC announcement and mixed coronavirus headlines. The metal saw mixed early session pricing amid illiquid conditions, initially above USD \$1,690, before turning offered toward USD \$1,680. Early

Japanese interest had the metal once again above USD \$1,690, however the bids tailed off into the Shanghai open. China opened to hold a deep discount toward USD -\$40 and provide little underlying support to spot prices, seeing bullion hold a narrow range throughout the afternoon between USD \$1,680 - \$1,685. Gold now sets sights firmly on a break above USD \$1,700, with key down-side support toward USD \$1,675 - \$1,680. Silver suffered from a liquidity gap to print a USD \$15.15 low on a sharp early Shanghai fall, however was generally well supported throughout the remainder of the session. Platinum sits toward USD \$750 and remains supported on dips, while palladium ripped higher in early Asian pricing and continued to see demand throughout the session.

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