

Daily Asia Wrap - 13th January 2021

Range Asian Hours
(from Globex open)

	GOLD	SILVER	PLATINUM	PALLADIUM
OPEN	1854.80/40	25.54/57	1074/77	2380/10
HIGH	1862.60/20	25.67/70	1085/88	2375/05
LOW	1852.80/40	25.45/48	1074/77	2365/95
LAST	1857.50/10	25.50/53	1077/80	2380/10

MARKETS/MACRO

US equities activity was largely on hold ahead of the release of the US stimulus package scheduled for release this week. The Dow added 60.00 points, or 0.19%, to 31,068.69, the S&P 500 crept up 1.58 points, or 0.04%, to 3,801.19, while the Nasdaq rose 36.00 points, or 0.28%, to 13,072.43. There were wins for energy (+3.50%) and materials (+1.34%) while communications (-1.50%) led the losses. European equities were mostly lower, the EuroSTOXX edged higher 0.20 points, or 0.05%, to 408.61, the German DAX lost 11.60 points, or 0.08%, to 13,925.06, and the London FTSE 100 fell 44.37 points, or 0.65%, to 6,754.11. In the currencies, the US dollar index eased 0.43% to 90.04, the EUR traded up to 1.2208, while USD/JPY was down to 103.74. Volatility in the bond markets as yields rose strongly through the morning before falling sharply, they ended up where they started with the 2 year yield at 0.143% and the 10 year yield at 1.129%. Oil prices were higher, Brent rose 1.7% to \$56.53 while WTI added 1.8% to \$53.13. Base metals were broadly higher, with nickel (+3.4%) leading the gains. In US economic data, the NFIB small business index fell to 95.9 in December, well below the 100.00 expectation. In Asia today, as I write the Nikkei is at +1.15%, the Shanghai composite is at -0.12%, the Hang Seng is at -0.08%, and the ASX S&P 200 is at +0.18%. Tonight we have the consumer price index, core CPI, and Federal budget out of the US; along with industrial production out of the eurozone.

PRECIOUS

Positive session for the precious as the weaker greenback fueled demand. Gold was mostly bid through Asia hours, rallying to \$1860 into the London open. with the SGE premium trending higher. Session high of \$1863 printed during quiet early London trading. NY came in on the offer and swiftly dumped the metal to once again test the 200 DMA at \$1840. A mid-session reversal in US bond yields and broad weakness in the US dollar saw the yellow metal recover to trade at \$1854 at the close. Silver saw good support ahead of the \$25 level, ending a positive session higher at \$25.54. Platinum finished just under the highs at \$1977 with the metal well supported below \$1050. The Philadelphia gold and silver index rose 0.55% to 144.74. Quiet trading in Asia today with the metals remaining rangebound. Gold showing a mild bid tone through the day but has been capped around last night's highs at \$1862. The yellow metal is currently trading at \$1857. Silver is oscillating either side of \$25.50, and sitting right at that level as I write. Have a good day ahead.

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