



MKS PAMP  
GROUP

## Daily Asia Wrap - 14th February 2020



### Range Asian Hours (from Globex open)

	GOLD	SILVER	PLATINUM	PALLADIUM
<b>OPEN</b>	1575.80/20	17.64/67	968/70	2424/34
<b>HIGH</b>	1577.70/10	17.67/70	972/74	2419/29
<b>LOW</b>	1573.20/60	17.62/65	968/70	2442/52
<b>LAST</b>	1574.50/90	17.64/67	970/72	2438/48

### MARKETS/MACRO

US equities come off the highs as reported cases of COVID-19 spike after a change in diagnosis methods. The Dow lost 128.11 points, or 0.43%, to 29,423.31, the S&P 500 fell 5.51 points, or 0.16%, to 3,373.94, while the Nasdaq slipped 13.99 points, or 0.14%, to 9,711.97. There were wins for utilities (+1.02%) while industrials (-0.69%) and health (-0.54%) led the laggards. European equities were lower, the EuroSTOXX inched lower 0.08 points, or 0.02%, to 431.08, the German DAX edged lower 4.35 points, or 0.03%, to 13,745.43, and the London FTSE 100 shed 82.34 points, or 1.09%, to 7,452.03. Fairly quiet session for the currencies, the US dollar index was at 99.10, the EUR traded down to 1.0838, while USD/JPY was down at 109.78. US treasury yields were higher, the 2 year yield rose 1.8 bps to 1.434% while the 10 year yield gained 1.2 bps to 1.610%. Oil prices were higher, Brent added 1.3% to \$56.47 while WTI firmed 0.6% to \$51.55. Base metals were broadly higher, with nickel (+1.4%) the leading the gains. In US economic data, the consumer price index rose 0.1% in January and 2.5% over the last 12 months, while core CPI rose 0.2% in January and 2.3% over the last 12 months. Initial jobless claims rose 2,000 to 205,000 in the 7 days ending Feb 8, while continuing claims fell by 61,000 to 1.69 million. . In Asia today, as I write the Nikkei is at -0.63%, the Shanghai composite is at +0.52%, the Hang Seng is at -0.60%, and the ASX S&P 200 is at +0.44%. Tonight we have retail sales, import price index, industrial production, capacity utilisation, consumer sentiment index, and business inventories out of the US; along with GDP growth, balance of trade, and

employment change out of the Eurozone.

## **PRECIOUS**

Gold found a bid early in Asian trading as USD/JPY came off and coronavirus headlines fueled safe haven demand. The metal traded a very tight range around \$1575 through remaining Asian hours and the London AM session. The market peaked at \$1578 just after the open in NY before trading sideways into the close. The yellow metal finished the day ahead at \$1576. Silver opened at the lows and found good buying support in Asia. The grey metal printed a high of \$17.73 and closed higher at \$17.60. In the PGMs, platinum was bid in early new York trading and printed a high of \$975, while palladium managed to finish higher after choppy session. The Philadelphia gold and silver index rose 0.99% to 103.14. SPDR Gold Trust ETF holdings were unchanged at 922.23 metric tonnes. All quiet in Asia today, gold has edged lower and is sitting at \$1574.50 as I write. Silver is flat at \$17.64. Have a good day ahead.

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