



MKS PAMP
GROUP

Daily Asia Wrap - 14th September 2020



Range Asian Hours
(from Globex open)

	GOLD	SILVER	PLATINUM	PALLADIUM
OPEN	1940.50/00	26.74/77	932/37	2302/32
HIGH	1951.50/00	26.92/95	943/48	2305/35
LOW	1938.35/85	26.68/71	930/35	2290/20
LAST	1947.30/80	26.80/83	938/43	2300/30

MARKETS/MACRO

Stocks in the U.S. finished with modest gains on Friday as the U.S. CPI print surprised to the upside, however declines across the technology sector continued to weigh upon the Nasdaq Composite. The DJIA ended the session +0.48% higher at 27,665.64 points, the S&P 500 inched +0.05% higher to 3,340.97 points, while the Nasdaq Composite declined -0.60% to 10,853.54 points as Apple (-1.31%) and Amazon (-1.85%) weighed upon the bourse. Over the week the Nasdaq Composite sunk -4.1% to mark the sharpest weekly fall since March, the S&P 500 booked the largest weekly fall since June to decline -2.5%, while the DJIA ended the week -1.7% lower. Consumer prices in the U.S. outpaced expectations during August to mark a third successive monthly gain, however a surge in the cost of used autos accounted for more than 40% of the increase. The costs of goods and services in the U.S. increased +0.4% MoM during August (exp: +0.3%) to push the annualized figure to +1.3% YoY from +1.0% previously. Core inflation meanwhile (excluding food and energy) increased +0.4% MoM and +1.7% YoY (prev: +1.6%). The greenback ended the session modestly lower (DXY -0.1%), shedding -0.3% relative to

the Euro, while USD/JPY bounced off a test of 106.00 late in the session to end unchanged. Treasury yields declined on Friday to see the two-year yield dip 1bp lower to 0.127%, while the 10-year eased 1.2bps to 0.6658%. Stocks in Europe finished marginally mixed as the Stoxx Europe 600 added +0.13% to 367.96, the German Dax eased -0.05% to 13,202.84 points, while in London the FTSE 100 finished +0.48% higher at 6,032.09 points as the sterling settled into narrow range following recent declines.

PRECIOUS

The precious complex reversed an early session bout of weakness on Monday, seeing gold pivot above USD \$1,950 and move back through the key uptrend extending back to March. Volumes on the session however remained low (30k lots currently through Comex) as the metal continues to track a USD \$1,930 - \$1,960 range heading into this weeks FOMC meeting. Chinese demand gave spot a boost in early Shanghai trade, however the on-shore discount remained pinned toward USD -\$50, while the discount on silver steepened further, now testing USD -\$0.25 after trading at a premium early last week. Silver remains buoyant above USD \$26.50, however once again failed to capture the USD \$27 handle during Asian trade today. Pull-backs saw interest to keep price action buoyant through the session, however much like gold the metal remains locked within a narrow range. The white metals are seeing renewed interest as equity markets recover from heavy recent falls, with platinum extending above USD \$940 and palladium holds the USD \$2,300 handle. Data today is light with focus on Eurozone industrial production.

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