



MKS PAMP
GROUP

Daily Asia Wrap - 15th September 2020



Range Asian Hours
(from Globex open)

	GOLD	SILVER	PLATINUM	PALLADIUM
OPEN	1956.50/00	27.14/17	954/59	2302/32
HIGH	1966.90/40	27.42/45	961/66	2325/55
LOW	1955.35/85	27.12/15	953/58	2302/32
LAST	1965.30/80	27.39/42	958/63	2320/50

MARKETS/MACRO

Stocks in the U.S. finished higher on Monday, buoyed by gains across the technology sector and positive vaccine headlines. Oracle Corp added +4.31% following news that it was the preferred strategic partner for the U.S. operations of TikTok, while Nvidia Corp jumped +5.81% on the back of news that the chip maker had agreed to buy British chip-designer Arm Holdings. With regards to a potential Covid19 vaccine, AstraZeneca have resumed clinical trials that were recently paused due to an unexplained illness, while Pfizer's CEO Albert Bourla said in an interview with CBS News that they could distribute a vaccine by the end of the year if trials are successful. The DJIA ended the session +1.18% higher to 27,993.33 points, the S&P 500 gained +1.27% to 3,383.54 points, while the Nasdaq Composite jumped +1.87% to 11,056.652 points. The VIX gauge declined -3.80% on the session to finish at 25.85. The greenback resumed its downtrend on Monday, sliding -0.22% relative to majors as USD/JPY (-0.42%) declined underneath 106.00, while the Euro tested toward 1.19 (EUR/USD +0.12%). Treasury yields ended marginally higher after trading a narrow range. The two-year added +0.8bps to 0.135%

and the 10-year finished 0.7bps higher to 0.674%. Stocks across Europe ended marginally mixed on Monday after vaccine related strong early session gains. The Stoxx Europe 600 finished the session +0.15% higher at 368.51 points as Eurozone industrial production increased +4.1% MoM, seeing the annualised figure to -7.7% YoY from -12.0% previously. The German Dax eased -0.07% to 13,193.66 points, while in London the FTSE 100 declined -0.1% to 6,026.25 points.

PRECIOUS

Price action across the precious complex remained buoyant during Asian trade today, building upon Monday's firmer session that saw gold pivot and importantly close above USD \$1,950. There was little in the way of retracement throughout today's session, with dips toward USD \$1,955 well supported as the metal pushed above USD \$1,960 to test the recent resistance level toward USD \$1,965. Driving price action were further declines to the greenback as the DXY index fell through 93.00 and USD/CNH moved sharply lower underneath 6.78 after opening toward 6.81. Gold continues to track the upwards trendline that goes back toward the March lows, now sitting toward USD \$1,960. Shanghai trade remained uninspiring as the on-shore gold discount held toward USD -\$50, while silver oscillated either-side of USD -\$0.30. The yellow metal should continue to benefit from a softer dollar and will look to break above the USD \$1,992 - \$2,000 resistance band, with extension beyond this toward USD \$2,015. Support will initially cut in at USD \$1,950, with USD \$1,940 - \$1,930 below. Spot silver saw good demand toward USD \$27 after Monday's move back through the figure, extending through to test USD \$27.50 in afternoon flows. The metal has struggled amid ETF redemptions in recent sessions, however is likely to see renewed interest should the metal test toward USD \$28.50 - \$29.00. The white metals continue to see interest, with notably platinum finding favour to extend above USD \$960 today, while palladium continues to trade buoyantly above USD \$2,300. Data today includes U.K. jobs data, German ZEW survey results, U.S. empire manufacturing, U.S. import prices, U.S. industrial production and capacity utilisation.

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