



MKS PAMP
GROUP

Daily Asia Wrap - 16th October 2020



Range Asian Hours (from Globex open)

	GOLD	SILVER	PLATINUM	PALLADIUM
OPEN	1908.00/50	24.27/40	868/71	2350/80
HIGH	1910.30/80	24.40/43	868/71	2350/80
LOW	1904.10/60	24.17/20	861/64	2340/70
LAST	1906.60/10	24.26/29	863/66	2347/77

MARKETS/MACRO

US equities were lower on mixed economic data. The Dow edged lower 19.80 points, or 0.07%, to 28,494.20, the S&P 500 fell 5.33 points, or 0.15%, to 3,348.44, while the Nasdaq lost 54.86 points, or 0.47%, to 11,713.87. Energy (+1.17%) was the best performing sector while healthcare (-0.72%) and communications (-0.66%) led the losses. European equities were lower, the EuroSTOXX shed 7.71 points, or 2.08%, to 362.91, the German DAX eased 324.31 points, or 2.49%, to 12,703.75, and the London FTSE 100 gave up 102.54 points, or 1.73%, to 5,832.52. In the currencies, the US dollar index firmed 0.38% to 93.78, the EUR traded down to 1.1695, while USD/JPY traded as high as 105.48. US treasury yields were higher, the 2 year yield was flat at 0.139% while the 10 year yield firmed 2.0 bps to 0.734%. Oil prices were lower, Brent sold off 0.4% to \$43.18 while WTI slipped 0.1% to \$41.02. Base metals were broadly higher, with copper (+0.5%) leading the gains. In US economic data, initial jobless claims rose to 898,000 in the week ending October 10, the highest level in 7 weeks. Continuing claims fell to 10.02 million in the week ending October 3. The Philly Fed manufacturing index climbed to 32.3 in October from 15 in September, the highest reading since the pandemic began. The Empire State Index fell to 10.5 in October from 17 in September. In Asia today, as I write the Nikkei is at -0.30%, the Shanghai composite is at -0.28%, the Hang Seng is at +0.78%, and the ASX S&P 200 is at -0.63%. Tonight we have retail sales, industrial production index, capacity utilisation,

consumer sentiment index, and business inventories out of the US; along with balance of trade and inflation rate out of the eurozone.

PRECIOUS

Gold opened at \$1901 and drifted \$10 lower during Asian hours before trading back to opening levels before the London open. The market was softer during the London AM session with the EUR losing ground against the greenback, printing the session low \$1890. Fortunes reversed as soon as NY came in, with the disappointing jobless data sparking a run on the yellow metal. It was largely one way traffic in NY trading, with gold closing right on the \$1908 high. Silver was sold down to \$23.58 before mounting an impressive recovery during NY hours to close flat. PGMs also managed to pare early losses to finish even on the day. The Philadelphia gold and silver index fell 1.07% to 149.07. Very quiet trading in Asia today with the precious remaining rangebound. Gold is consolidating above \$1900, with the yellow metal trading at \$1906 as I write. Silver currently sitting flat at \$24.26. Have a good day ahead.

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