



MKS PAMP  
GROUP

## Daily Asia Wrap - 1st April 2020



Range Asian Hours  
(from Globex open)

	GOLD	SILVER	PLATINUM	PALLADIUM
OPEN	1575.80/7.80	13.96/99	724/27	2346/76
HIGH	1568.50/0.50	13.89/92	729/32	2360/90
LOW	1587.00/9.00	14.12/15	718/21	2285/15
LAST	1586.00/8.00	13.97/00	722/25	2303/33

### MARKETS/MACRO

Chinese PMI came in much higher than expected at 52.0 in March following a low of 35.7 in February, providing some hope of a recovery. US equities dipped on the final day of the quarter as COVID-19 cases increase in the US. Both the Dow and S&P 500 posted their worst first quarter in history, losing 23% and 20% respectively during that period. The Dow fell 410.32 points, or 1.84%, to 21,917.16, the S&P 500 lost 42.06 points, or 1.60%, to 2,584.59, while the Nasdaq shed 74.05 points, or 0.95%, to 7,700.10. Utilities (-4.02%) and REITs (-3.26%) led the losses. European equities rallied on positive manufacturing data out of China, the EuroSTOXX added 5.18 points, or 1.65%, to 320.06, the German DAX rose 119.87 points, or 1.22%, to 9,935.840, and the London FTSE 100 gained 108.22 points, or 1.95%, to 5,671.96. In the currencies, the US dollar index slipped 0.11% to 98.95 despite being as high as 99.91 at one stage. The EUR was at 1.1033 while USD/JPY was at 107.52. US treasury yields were mixed, the 2 year yield added 1.2 bps to 0.230% while the 10 year yield eased 1.1 bps to 0.681%. Oil prices were lower, Brent gave up 1.1% to \$2.71 while WTI sold off 3.6% to \$20.39. Base metals were mostly higher on the news out of China, with copper (+3.8%) leading the gains. In US economic data, the Conference Board's consumer confidence index dropped to 120 in March from a revised 132.6 in February. The Case-Shiller home price index rose 0.3% in January and 3.1% year on year. The Chicago PMI fell to 47.8 in March from the 49.0 reading in February. In Asia today, as I write the Nikkei is at -1.91%, the Shanghai composite is at +0.37%, the Hang Seng is at -0.85%, and

the ASX S&P 200 is at +3.06%. Tonight we have ADP employment, Markit manufacturing PMI, ISM manufacturing index, construction spending, and motor vehicle sales; along with Markit manufacturing PMI and unemployment rate out of the eurozone.

## **PRECIOUS**

Gold opened at the \$1625 high in Asian before easing to \$1615 where it sat until London came in. A firming USD weighed on the market during the London AM session and saw the metal drop below the \$1600 support. NY were buyers initially and gold jumped up to \$1610 before a heavy selloff saw the metal drop to a low of \$1577. The yellow metal closed deep in the red at \$1577. Fairly choppy session for silver, the metal peaked at \$14.24 during NY hours before dropping to a close below the \$14 level. In the PGMs, platinum remained rangebound while palladium posted made impressive gains NY before handing some of them back. The Philadelphia gold and silver index fell 1.79% to \$78.95. In Asia today, gold dipped to a low of \$1568 early on but a steady rise from there sees the yellow metal sitting near the highs at \$1586 as I write. Silver is testing the \$14 level, the grey metal is currently trading at \$13.97. Have a good day ahead.

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