



MKS PAMP
GROUP

Daily Asia Wrap - 20th March 2020



Range Asian Hours
(from Globex open)

	GOLD	SILVER	PLATINUM	PALLADIUM
OPEN	1469.20/70	12.08/12	590/95	1668/88
HIGH	1486.30/80	12.61/65	615/20	1671/91
LOW	1456.00/50	11.98/02	587/92	1645/65
LAST	1480.70/20	12.46/50	610/15	1656/86

MARKETS/MACRO

Equities were higher as central banks continue their aggressive response to the economic fallout from COVID-19. The Dow added 188.27 points, or 0.95%, to 20,087.19, the S&P 500 rose 11.29%, or 0.47%, to 2,409.39, while the tech heavy Nasdaq gained 160.73, or 2.30%, to 7,150.58. There were wins for energy (+6.75%) and consumer discretionary (+3.40%) while utilities (-5.47%) led the laggards. European shares were higher as the Bank of England cut rates and began buying bonds, with the ECB ramping up bond purchases also. The Eurostoxx 600 advanced 8.14 points, or 2.91%, to 287.30, the German DAX put on 168.7 points, or 2.00%, to 8,610.43, while the UK FTSE rose 71.03 points, or 1.40%, to 5,151.61. In the currencies, the US dollar index climbed 2.1% to 102.94, the EUR was down to 106.55, with USD/JPY rising to 111.14. US treasury yields were lower, the 2 year yield eased 5.1 bps to 0.455 while the 10 year yield shed 8.1 bps to 1.162. Oil prices were sharply higher, Brent added 10.5% to \$28.39 while WTI gained 14.6% to \$25.44. Base metals were mixed, with copper (+1.7%) the standout. In US economic data, the Philly Fed manufacturing index slumped to 48 points to -12.7 in March. Leading indicators rose 0.11% in February, before COVID-19 really slowed US growth. Initial jobless claims climbed 70,000 to 281,000 in the 7 days ending March 14. Tonight we have existing home sales out of the US.

PRECIOUS

Gold popped up to test \$1500 in early Asian trading and found plenty of resting orders. The metal was promptly sold down to the session low of \$1465. The market firmed up into the :London open and traded around \$1480 through the AM session. The yellow metal faced significant headwinds in the form of a rising US dollar and equities through NY hours but did find fairly solid support in the \$1470 area. Gold ended the session lower at \$1574. Silver oscillated either side of \$12 through the session without breaking out of the 40c range. PGMs were softer, with platinum printing a low of \$588 while palladium was down to \$1564. The Philadelphia gold and silver index rose 2.5% to 176.72. In Asia today, gold dipped to the low of \$1456 just after the open, before rallying to \$1586 as USD/JPY fell below 111. The yellow metal is currently sitting at \$1480. Silver is looking a little firmer, the grey metal traded to a high of 12.61 is at \$12.46 as I write. Have a good day ahead.

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