



MKS PAMP  
GROUP

## Daily Asia Wrap - 26th June 2020



Range Asian Hours  
(from Globex open)

	GOLD	SILVER	PLATINUM	PALLADIUM
OPEN	1763.90/4.90	17.79/82	800/10	1830/70
HIGH	1765.50/6.50	17.82/85	806/16	1859/99
LOW	1758.00/9.00	17.68/71	797/07	1824/64
LAST	1759.20/0.20	17.70/73	798/08	1830/70

### MARKETS/MACRO

US equities rallied after Wednesday's sharp losses. The Dow added 299.66 points, or 1.18%, to 25,745.60, the S&P 500 rose 33.43 points, or 1.10%, to 3,083.76, while the Nasdaq gained 107.84 points, or 1.09%, to 10,017.00. Financials (+2.71%) and energy (+1.92%) led a near broad advance in the markets. European equities were higher, the EuroSTOXX put on 2.57 points, or 0.72%, to 359.74, the German DAX advanced 83.93 points, or 0.69%, to 12,177.87, and the London FTSE 100 added 23.45 points, or 0.38%, to 6,147.14. In the currencies, the US dollar index firmed 0.18% to 97.39, the EUR traded down to 1.1193, while USD/JPY traded up to 107.37. US treasury yields were mixed, the 2 year yield eased 0.2 bps to 0.184% while the 10 year yield rose 0.8 bps to 0.681%. Oil prices were higher as Russia cut its production of Ural crude to the lowest level in 10 years, Brent added 4.2% to \$41.56 while WTI gained 4.0% to \$39.13. Base metals were mixed, with zinc (+0.7%) faring best. In US economic data, initial jobless claims fell slightly to 1.48 million in the 7 days ending June 20, continuing claims fell to 19.5 in the week ending June 13. First quarter GDP remained at a 5% rate of contraction in the latest estimate by the Commerce Department, weaker consumer spending numbers were offset by upward revisions to business fixed investment. Durable goods orders climbed 15.8% in May, outpacing economists expectations of a 10.3% increase. Core capital goods orders rose a more modest 2.3% in May. In Asia today, as I write the Nikkei is at 1.31%, the Shanghai

composite is at +0.30%, the Hang Seng is at -0.56%, and the ASX S&P 200 is at +1.50%. Tonight we have personal income, consumer spending, core inflation, and consumer sentiment out of the US.

## **PRECIOUS**

Gold consolidates above \$1760 in a rangebound session. Gold was subdued in early Asian trading and picked up once markets opened in China. London came in with market on the \$1768 high and were happy to sell into the strength, the metal was sold to the low of \$1757 during the AM session. Gold showed strong signs of support around \$1760 during NY trading, holding that level in spite of the stock market rebound and a modest increase in the greenback. The yellow metal ended the session flat at \$1763. Silver dipped to \$17.47 just ahead of the NY open before rebounding strongly through \$17.70. The grey metal finished the session on the highs at 17.80. PGMs remained rangebound, with platinum still holding the \$800 handle. The Philadelphia gold and silver index rose 1.00% to 122.27. Gold is drifting lower in Asia today as the risk-on tone we saw in the markets overnight continues. The yellow metal is at \$1759 as I write. Silver is trading 10c lower, the grey metal is currently sitting at \$17.70. Have a good day ahead.

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