



MKS PAMP  
GROUP

## Daily Asia Wrap - 7th February 2020



Range Asian Hours  
(from Globex open)

	GOLD	SILVER	PLATINUM	PALLADIUM
OPEN	1565.90/30	17.81/84	963/65	2342/52
HIGH	1568.80/20	17.84/87	966/68	2356/66
LOW	1564.80/20	17.78/81	960/62	2319/29
LAST	1565.90/30	17.77/80	963/65	2325/35

### MARKETS/MACRO

US equities continued to march higher, with the three major bourses closing at fresh records. The Dow added 88.92 points, or 0.30%, to 29,379.77, the S&P 500 rose 11.09 points, or 0.33%, to 3,345.78, while the Nasdaq gained 63.47 points, or 0.67%, to 9,572.15. There were wins for communications (+1.14%) and tech (+0.88%) while energy (-1.04%) led the laggards. European equities were lower, the EuroSTOXX put on 1.87 points, or 0.44%, to 425.49, the German DAX advanced 96.49 points, or 0.72%, to 13,574.82, and the London FTSE 100 added 22.31 points, or 0.30%, to 7,504.79. In the currencies, the US dollar index firmed 0.21% to 98.47, the EUR traded down to 1.0974, while USD/JPY was at 109.91. US treasury yields were lower, the 2 year yield eased 1.4 bps to 1.449% while the 10 year yield slipped 2.8 bps to 1.647%. Oil prices were lower, Brent sold off 2.1% to \$55.05 while WTI shed 1.6% to \$51.05. Base metals were mixed, with aluminium (+1.2%) the best performer. In US economic data, productivity rose 1.4 in the fourth quarter of 2019 following a 0.2% decline in the third quarter. Unit labour costs also rose 1.4% in the fourth quarter. Initial jobless claims fell by 15,000 to 202,000 in the 7 days ending February 1, continuing claims rose by 48,000 to 1.75 million. In Asia today, as I write the Nikkei is at -0.24%, the Shanghai composite is at -0.66%, the Hang Seng is at -0.84%, and the ASX S&P 200 is at -0.48%. Tonight we have non-farm payrolls, unemployment rate, average hourly earnings, wholesale inventories, and consumer credit out of the US.

## PRECIOUS

Gold opened at \$1556 in Asia and traded sideways through the first few market hours before finding a bid in the afternoon. The metal was around \$1560 as London came in and continued buying, the metal reached \$1566 during the AM session. There was a period of consolidation around \$1565 before gold peaked at \$1567 late in the session. The yellow metal finished the day ahead at \$1565. Silver made a slow grind higher through Asian hours before popping up to the \$17.88 high in London. The grey metal closed well in front at \$17.82. No such luck for the PGMs, with both platinum and palladium suffering heavy losses. The Philadelphia gold and silver index rose 1.20% to 103.42. The SPDR Gold Trust holdings rose 0.26% to 914.91 metric tonnes. Very quiet again in Asia today, with gold trading a tight \$4 range. The yellow metal is sitting right at the opening level of \$1565.90 as I write. Silver is also rangebound, the grey metal currently sits at \$17.77. Have a good day ahead.

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