



MKS PAMP  
GROUP

## Daily Asia Wrap - 9th October 2020



Range Asian Hours  
(from Globex open)

	GOLD	SILVER	PLATINUM	PALLADIUM
OPEN	1893.30/80	23.84/87	867/70	2370/95
HIGH	1912.60/10	24.38/41	877/80	2405/30
LOW	1893.20/70	23.84/87	866/69	2370/95
LAST	1910.30/80	24.33/36	873/76	2380/05

### MARKETS/MACRO

Stocks in the U.S. posted gains on Thursday to see major bourses finish at their highest levels in five-weeks. Market optimism looks to be driven by a higher level of confidence over the U.S. election, with Wall Street moving to price in a Democratic sweep and a new fiscal stimulus bill next year. The Dow Jones Industrial Average closed +0.4% higher at 28,425.51 points, the S&P 500 gained +0.8% to 3,446.83 points, while the Nasdaq Composite added +0.5% to 11,420.98 points. The greenback finished flat on the session after paring early New York gains into the close, holding relatively unchanged relative to the Euro, while the Japanese Yen tracked either-side of 106.00 to hold a narrow range. Much like the greenback, Treasury yields finished flat on the session, as the two-year ended toward 0.15% and the 10-year closed at 0.78%. On the data front, U.S. initial jobless claims fell modestly during the week ended October 3, easing to 840k (exp: 820k) from 849k the week prior. Continuing claims meanwhile sunk to 10.98 million during the week ended September 26 (prev: 11.98 million), the lowest level since late March.

## PRECIOUS

A buoyant but range-bound session on Thursday gave way to strong price action in Asia today as China returned from Golden week celebrations. While gold has been unable to make headway above USD \$1,900 in recent sessions, the yellow metal made light work of the figure on the Shanghai open, buoyed by a falling greenback as USD/Yuan collapsed. Pivoting through USD \$1,900 in early Shanghai, the metal extended gains through USD \$1,910, however remained unable to make headway outside of the recent resistance through USD \$1,920. While today's session was a positive one, gold will need to break above USD \$1,920 to entice fresh interest for further top-side gains, with notable focus on ETF inflows. Near-term range may continue to see USD \$1,880 - \$1,920, while USD \$1,862 remains the key directional support level. Silver broke above USD \$24 during Asian trade today, however much like gold, remains unable to break above recent top-side resistance, seeing layered offers toward USD \$24.50. The white metals continue to see interest with stocks firmer, as palladium tests a consolidated move above USD \$2,400, while platinum looks toward USD \$900. Data today includes U.K. industrial production, U.K. manufacturing production and U.S. wholesale inventories.

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