



MKS PAMP
GROUP

Daily Asia Wrap - 24th July 2020



Range Asian Hours
(from Globex open)

| | GOLD | SILVER | PLATINUM | PALLADIUM |
|------|------------|----------|----------|-----------|
| OPEN | 1888.50/00 | 22.60/63 | 920/25 | 2153/73 |
| HIGH | 1890.10/60 | 22.81/84 | 925/30 | 2157/77 |
| LOW | 1881.80/30 | 22.40/43 | 898/03 | 2128/48 |
| LAST | 1886.70/20 | 22.50/53 | 901/06 | 2129/49 |

MARKETS/MACRO

US equities snapped a four day winning streak to finish lower The Dow lost 353.51, or 1.31%, to 26,652.33, the S&P 500 fell 40.36 points, or 1.23%, to 3,235.66, while the Nasdaq shed 244.71 points, or 2.29%, to 10,461.42. Tech (-2.63%) and consumer discretionary (-2.03%) led the losses. European equities were little changed, the EuroSTOXX crept up 0.21 points, or 0.06%, to 373.65, the German DAX edged lower 0.86 points, or 0.01%, to 13,103.39, and the London FTSE 100 inched higher 4.34 points, or 0.07%, to 6,211.44. In the currencies, the US dollar index eased 0.17% to 94.78, the EUR traded up to 1.1623, while USD/JPY was down at 106.72. US treasury yields were mixed, the 2 year yield added 0.2 bps to 0.151% while the 10 year yield eased 2.0 bps to 0.577%. Oil prices were lower, Brent sold off 2.5% to \$43.24 while WTI lost 2.3% to \$40.98. Base metals were broadly higher, with nickel (+4.4%) leading the gains. In US economic data, initial jobless claims rose 109k to 1.42 million in the 7 days ending July 18, while continuing claims fell by 1.1 million to 16.2 million the week previous. The Conference Board's leading economic index rose 2% in June following a revised 3.2% increase in May. In Asia today, as I write the Nikkei is at -0.58%, the Shanghai composite is at -2.76%, the Hang Seng is at -2.17%, and the ASX S&P 200 is at -1.16%. Tonight we have Markit manufacturing PMI (flash), Markit services PMI (flash), and new home sales out of the US; along with Markit manufacturing PMI (flash), Markit services PMI (flash), and consumer confidence out of the

eurozone.

PRECIOUS

Gold trades toward \$1900 in a solid session for the precious. Gold opened at \$1870 and had a few failed attempts to push much higher during Asian hours, at one point drifting to the session low \$1864. The metal traded toward \$1890 in early London hours before retracing to opening levels during the AM session. A sell off in equities and further softening of the US dollar helped propel the yellow metal to make an attempt at the \$1900 level. There were plenty of resting orders ahead of \$1900 and the bullion had to settle for a high at \$1897 before pulling back to close at \$1892. Silver took a breather after this week's astounding rise, with many happy to take profits at these levels. The grey metal finished the session lower at \$22.71. Platinum traded up to \$928 before giving back the gains, the white metal still consolidated above \$900. The Philadelphia gold and silver index eased 2.34% to 146.68. Further consolidation for the metals in Asia today as gold trades between \$1880-\$1890 and silver continues to find a band of support at \$22.40-50. The yellow metal is currently sitting at \$1886.70 and silver is trading at \$22.50 as I write.

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