

Daily Asia Wrap - 3rd May 2021

Range Asian Hours
(from Globex open)

3-May-21	GOLD		SILVER		PLATINUM		PALLADIUM	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
OPEN	1768.70	1769.30	25.8950	25.9250	1201.00	1204.00	2934.00	2949.00
HIGH	1775.40	1776.00	26.0000	26.0300	1209.00	1212.00	2954.00	2969.00
LOW	1765.90	1766.50	25.7950	25.8250	1199.00	1202.00	2936.00	2951.00
LAST	1774.00	1774.60	25.9100	25.9400	1202.50	1205.50	2948.00	2963.00

MARKETS/MACRO

US equities were lower despite the release of upbeat economic data. The Dow lost 185.51 points, or 0.54%, to 33,874.85, the S&P 500 fell 30.30 points, or 0.72%, to 4,181.17, while the Nasdaq gave up 119.86 points, or 0.85%, to 13,962.68. The energy (-2.72%) and tech sectors (-1.43%) led the losses. European equities were mostly lower, the EuroSTOXX shed 1.38 points, or 0.31%, to 437.39, the German DAX fell 18.29 points, or 0.12%, to 15,135.291, and the London FTSE 100 added 8.33 points, or 0.12%, to 6,969.81. In the currencies, a big increase in the value of the greenback as the US economic recovery outpaces other regions. The US dollar index firmed 0.65% to 91.25, the EUR dropped a big figure to 1.2021, while USD/JPY traded up to 109.34. US treasury yields were lower, the 2 year yield lost 0.4 bps to 0.158%, while the 10 year yield eased 2.0 bps to 1.626%. Oil prices were lower, Brent sold off 2.0% to \$66.76 while WTI fell 1.4% to \$63.58. Base metals were mixed, with nickel (+2.4%) the best performer. In US economic data, personal income climbed 21.1% in March as most American's received their US\$1400 stimulus checks during the month. Personal spending was also given a boost, rising 4.2% in the same month. The University of Michigan consumer sentiment index rose to 88.3 in April. The PCE price index rose 0.5% in March from 0.2% in February, year on year the index rose 2.3%. Chicago PMI rose to 72.1 in April, beating the 65.3 forecast. In Asia today, as I write the Nikkei is closed, the Shanghai composite is closed, the Hang Seng is at -1.58%, and the ASX S&P 200 is at +0.05%. Tonight we have Markit manufacturing PMI (final), ISM manufacturing index, construction sending, and motor vehicle sales out of the US; along with Markit manufacturing PMI (final) out of the eurozone.

PRECIOUS

Range-bound session for the precious with a rising US dollar proving a significant headwind. Asia were early sellers before reversing course in the early afternoon, gold was down at \$1763 and traded back up to \$1763 as the Europeans came in. The metal bounced around a similar range during early London trading with the EUR coming under pressure. Sharp rise in USD put pressure on gold during early NY trading but the recent support level around \$1765 held firm. The yellow metal closed the session modestly lower at \$1768. Silver jumped to a high of \$26.18 on the NY open after trading a narrow range up to that point. Plenty of selling action above \$26 saw the grey metal give up the gains and close lower at \$25.92. PGMS enjoyed early support before wave of profit taking hit, with palladium breaching the \$3000 level for the first time. The Philadelphia gold and silver index eased 1.50% to 142.13. Metals are firmer in Asia today in light volumes with Chinese and Japanese markets closed. Gold is sitting just under the highs at \$1773 as I write. Silver tested \$26 again today but resting orders capped any move through, the grey metal is currently trading at \$25.92. Have a good day ahead.

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