

## Precious Metals

|                   | Last Price | % Change | Precious Metals News   |
|-------------------|------------|----------|--|
| Comex Gold        | 2018       | -1.96    | Gold steadied on Monday after a steep fall in the previous session, as concerns over a worsening COVID-19 pandemic and intensifying U.S.-China tensions underpinned the metal's safe-haven appeal.                 |
| Comex Silver      | 27.54      | -3.03    | Trump signed executive orders partly restoring enhanced unemployment payments to the tens of millions of Americans who lost jobs in the pandemic, as the United States marked a grim milestone of 5 million cases. |
| MCX Gold          | 54789      | -1.85    |  |
| MCX Silver        | 74160      | -2.38    |  |
| USDINR            | 75.02      | 0.16     | Investors also kept a wary eye on China's trade relations with the U.S., after Trump signed two executive orders banning two popular Chinese apps.   |
| US Dollar index   | 93.44      | 0.70     |  |
| CBOE VIX          | 22.21      | -1.94    | SPDR Gold Trust , the world's largest gold-backed exchange-traded fund, said its holdings fell 0.46% to 1,262.12 tonnes on Friday.   |
| US 10Y Yield      | 0.562      | 4.07     | Speculators reduced their bullish positions in COMEX gold and silver contracts in the week to Aug. 4, the U.S. Commodity Futures Trading Commission (CFTC) said on Friday.   |
| SPDR Gold         | 1262.12    | -0.46    |  |
| Ishares Silver    | 17823.22   | -0.24    | Physical gold remained out of favour in most Asian hubs last week as a worsening pandemic kept retail buyers away with global benchmark spot prices at historic highs.   |
| Gold/Silver Ratio | 73.28      | 1.10     |  |

## Precious Metal Outlook

Precious metals are trading higher in the morning trade. We expect prices to trade positive on weaker dollar and record low treasury yields. Prices are testing new record high amid surge in coronavirus cases has increased calls for fiscal support and on speculation interest rates will stay low for longer. The biggest concerns that negotiators won't be able to resolve differences over a new U.S. relief package remain among the minds of investors.

### TECHNICAL OUTLOOK ON GOLD



### TECHNICAL OUTLOOK ON SILVER



|             | Support 2 | Support 1 | Last Price | Resistance 1 | Resistance 2 |
|-------------|-----------|-----------|------------|--------------|--------------|
| Gold Aug    | 54300     | 54680     | 54789      | 55190        | 55400        |
| Silver Sept | 72700     | 73600     | 74160      | 76100        | 77000        |

| Important Events For The Week |     |                                   |        |          |            |
|-------------------------------|-----|-----------------------------------|--------|----------|------------|
|                               | Cur |                                   | Actual | Forecast | Previous   |
| <b>10-Aug</b>                 |     |                                   |        |          |            |
| All Day                       | JPY | Bank Holiday                      |        |          |            |
| 7:00am                        | CNY | CPI y/y                           | 2.70%  | 2.60%    | 2.50%      |
|                               | CNY | PPI y/y                           | -2.40% | -2.50%   | -3.00%     |
| 2:00pm                        | EUR | Sentix Investor Confidence        |        | -16      | -18.2      |
| Tentative                     | GBP | NIESR GDP Estimate                |        |          | -21.20%    |
| 7:30pm                        | USD | JOLTS Job Openings                |        | 5.30M    | 5.40M      |
| <b>11-Aug</b>                 |     |                                   |        |          |            |
| 11th-18th                     | CNY | Foreign Direct Investment ytd/y   |        |          | -1.30%     |
| 2:30pm                        | EUR | ZEW Economic Sentiment            |        | 55.3     | 59.6       |
|                               | EUR | German ZEW Economic Sentiment     |        | 55       | 59.3       |
| 11th-15th                     | CNY | M2 Money Supply y/y               |        | 11.10%   | 11.10%     |
| 11th-15th                     | CNY | New Loans                         |        | 1200B    | 1810B      |
| 3:30pm                        | USD | NFIB Small Business Index         |        | 101.7    | 100.6      |
| 6:00pm                        | USD | Core PPI m/m                      |        | 0.10%    | -0.30%     |
|                               | USD | PPI m/m                           |        | 0.30%    | -0.20%     |
| <b>12-Aug</b>                 |     |                                   |        |          |            |
| 11:30am                       | GBP | Prelim GDP q/q                    |        | -20.50%  | -2.00%     |
|                               | GBP | GDP m/m                           |        | 8.10%    | 1.80%      |
|                               | GBP | Industrial Production m/m         |        | 9.90%    | 6.00%      |
| 2:30pm                        | EUR | Industrial Production m/m         |        | 10.10%   | 12.40%     |
|                               | USD | Core CPI m/m                      |        | 0.20%    | 0.20%      |
| 8:00pm                        | USD | Crude Oil Inventories             |        |          | -7.4M      |
| 10:31pm                       | USD | 10-y Bond Auction                 |        |          | 0.65   2.6 |
| 11:30pm                       | USD | Federal Budget Balance            |        |          | -864.1B    |
| <b>13-Aug</b>                 |     |                                   |        |          |            |
| 5:20am                        | JPY | PPI y/y                           |        | -1.10%   | -1.60%     |
| 11:30am                       | EUR | German Final CPI m/m              |        | -0.50%   | -0.50%     |
|                               | EUR | German WPI m/m                    |        | 0.40%    | 0.60%      |
| 6:00pm                        | USD | Unemployment Claims               |        | 1200K    | 1186K      |
|                               | USD | Import Prices m/m                 |        | 0.60%    | 1.40%      |
| 8:00pm                        | USD | Natural Gas Storage               |        |          | 33B        |
| 10:31pm                       | USD | 30-y Bond Auction                 |        |          | 1.33   2.5 |
| <b>14-Aug</b>                 |     |                                   |        |          |            |
| 7:30am                        | CNY | Fixed Asset Investment ytd/y      |        | -1.60%   | -3.10%     |
|                               | CNY | Industrial Production y/y         |        | 5.10%    | 4.80%      |
|                               | CNY | Retail Sales y/y                  |        | 0.10%    | -1.80%     |
|                               | CNY | Unemployment Rate                 |        | 5.70%    | 5.70%      |
| 2:30pm                        | EUR | Flash Employment Change q/q       |        |          | -0.20%     |
|                               | EUR | Flash GDP q/q                     |        | -12.10%  | -12.10%    |
|                               | EUR | Trade Balance                     |        | 18.0B    | 8.0B       |
| 6:00pm                        | USD | Core Retail Sales m/m             |        |          | 7.30%      |
|                               | USD | Retail Sales m/m                  |        |          | 7.50%      |
|                               | USD | Industrial Production m/m         |        |          | 5.40%      |
| 7:30pm                        | USD | Prelim UoM Consumer Sentiment     |        |          | 72.5       |
|                               | USD | Business Inventories m/m          |        |          | -2.30%     |
|                               | USD | Prelim UoM Inflation Expectations |        |          | 3.00%      |

10th August 2020

Narnolia Financial Advisors Ltd | Market Strategy Desk

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