



MKS PAMP
GROUP

Europe/US Market Update - 12th December 2019



Europe/US Markets (from Globex open)

11-Dec-19	GOLD		SILVER		PLATINUM		PALLADIUM	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
OPEN	1463.60	1464.10	16.6300	16.6500	918.50	921.50	1901.00	1904.00
HIGH	1478.00	1478.50	16.9400	16.9700	943.00	946.00	1918.00	1921.00
LOW	1462.80	1463.30	16.6175	16.6375	917.50	920.50	1898.50	1901.50
CLOSE	1474.50	1475.00	16.8500	16.8700	938.00	941.00	1911.00	1914.00
EFP	4.35	4.45	0.0400	0.0500	1.00	2.00	-34.00	-26.00
Active Contract	0		SIHO Comdty		PLFO Comdty		PAHO Comdty	

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MACRO

- The US Federal Reserve kept rates interest rates on hold and indicated that no hikes are expected in 2020.
- US equities finished modestly higher after the Fed's announcement.
- The Dow added 29.58 points to 27,911.30, the S&P 500 rose 9.11 points to 3,141.63, while the Nasdaq gained 37.87 points to 8,654.05.
- There were wins for tech (+0.71%) and materials (+0.71%) while REITs (-0.76%) led the laggards.
- The VIX gauge fell 4.40% to 14.99.
- The US dollar index eased 0.30% to 97.12, the EUR traded up to 1.1138, while USD/JPY fell to 108.52.
- US treasury yields were lower, the 2 year yield lost 0.1.6 bps to 1.630% while the 10 year yield slipped 3.3 bps to 1.805%.
- European shares were higher, the EuroSTOXX advanced 0.22%, the German DAX put on 0.58%, while the UK FTSE edged up 0.03%.

- Oil prices were lower, Brent gave up 0.3 to \$63.78 while WTI erased 0.2% to \$58.81.
- Base metals were mostly higher, with nickel (+3.3%) the standout.
- In US economic data, CPI rose 0.3% in November and 2.1% over the past 12 months.
- The core inflation rate rose 0.2% in November and 2.3% over the past 12 months.
- The US government budget deficit rose to \$209b in November from \$205b in October.

PRECIOUS

- Firmer session for the precious as the FOMC decision put pressure on the greenback.
- Gold opened at \$1464 and traded a \$2 range through a very quiet Asian session.
- Demand increased slightly during the London AM session and the market reached \$1467.
- The metal tested \$1470 in early NY trading but was sold back below the level.
- Gold added \$10 after the FOMC announcement to the session high \$1478.50.
- The yellow metal ended the day higher at \$1474.
- Silver reached a high of \$16.94 before closing at \$16.84.
- Platinum climbed \$20 to the high at \$943 while palladium posted a fresh record at \$1918.
- The Philadelphia gold and silver index rose 2.86% to 99.56.
- SPDR Gold Trust holdings increased 0.03% to 886.22mt.

PRE-ASIA COMMENTS

- Gold flat in early Asian trading.
- All eyes on the UK as they head to the polls for the general election.
- Ahead today:
 - US Weekly Jobless Claims
 - US PPI
 - US Household net worth.
 - EU Industrial Production
 - EU Deposit Facility Rate
 - EU ECB Interest Rate Decision
 - EU Marginal Lending Rate

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