



MKS PAMP
GROUP

Europe/US Market Update - 13th August 2020



Europe/US Markets (from Globex open)

12-Aug-20	GOLD		SILVER		PLATINUM		PALLADIUM	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
OPEN	1880.70	1881.30	24.0175	24.0375	924.50	926.50	2120.00	2150.00
HIGH	1948.90	1949.50	26.2850	26.3050	960.50	962.50	2179.00	2209.00
LOW	1880.50	1881.10	24.0050	24.0250	924.50	926.50	2106.50	2136.50
CLOSE	1920.30	1920.90	25.4325	25.4525	931.00	933.00	2129.00	2159.00
FFP	9.00	13.00	0.0200	0.1000	8.00	18.00	25.00	55.00
Active Contract	GCZ0 Comdty		SIU0 Comdty		PLV0 Comdty		PAU0 Comdty	

MACRO

- US equities finished higher on improved data.
- The Dow rose 290 points, the S&P500 climbed 47 points, whilst the Nasdaq gained 230 points.
- European shares also rose. The Euro STOXX rallied 0.9%, the German Dax jumped 0.9% whilst the UK FTSE advanced 2%.
- The VIX gauge fell 7.3% to 22.00
- The DXY was lower on the day, finishing the session at 93.45
- US treasury yields were firmer. The 2 year yield rose 0.8 bps to 0.157% whilst the 10 year yield rallied 3 bps to 0.671%.
- Oil prices were firmer. WTI rose 1.9% to \$42.26 whilst Brent firmed 1.4% to \$45.33.
- Base metals were mixed. Copper rose 0.7% whilst nickel fell 0.6%.
- The CRB index rose 1% to 148.4.
- Prices trended up in the US in July, with the headline CPI up 0.6% m/m.
- The UK economy experienced the largest economic contraction of all European economies during Q2. GDP fell 20.4% q/q

PRECIOUS

- Another wild day for the precious complex.
- Asia opened too some light buying interest pushing XAU up to the sessions highs, but from that point on it was one way traffic to the downside.
- China opened to a heavy discount in excess of -\$100 which saw gold come crashing lower.
- Wave after wave of long liquidation saw the yellow metal dump to a low of 1864 before London came in.
- Once Europe opened, gold reversed it's downside momentum, and the market began to turn higher in an aggressive manner.
- Within a couple of hours of London being open, XAU was trading nearly \$90 higher than the low posted in Asia.
- NY appeared to have little interest considering the moves seen in the previous two sessions.
- A late bout of supply pressured gold sub 1910.
- Silver also traded within a huge range, following golds direction for the most part..
- The grey metal shot up first thing in Asia to the sessions highs, but as with gold, the Chinese came in aggressively on the offer, smashing the metal down to 23.46 (10% lower!).
- As was the case with gold, Europe hoovered silver on their open and it bounced back trading north of 26.00
- The PGM's were also battered, with platinum slumping to 925 whilst palladium hit a low of 2137.

PRE-ASIA COMMENTS

- Metals push higher in Asia.
- Asian equities open mixed.
- Ahead today: German Inflation rate; US continuing jobless claims

Although the information in this report has been obtained from and is based upon sources MKS believes to be reliable, we do not guarantee its accuracy and it may be incomplete or condensed. All opinions and estimates constitute MKS' judgment as of the date of this report and are subject to change without notice. This report is for informational purposes only and is not intended as investment advice, offer or solicitation for the purchase or sale of an investment. This report does not consider or take into account the investment objectives or financial situation of a particular party.