



MKS PAMP
GROUP

Europe/US Market Update - 13th May 2020



Europe/US Markets (from Globex open)

12-May-20	GOLD		SILVER		PLATINUM		PALLADIUM	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
OPEN	1701.70	1702.70	15.5050	15.5250	768.00	770.00	1905.50	1935.50
HIGH	1710.20	1711.20	15.6200	15.6400	776.00	778.00	1905.50	1935.50
LOW	1699.30	1700.30	15.4600	15.4800	761.00	763.00	1839.50	1869.50
CLOSE	1700.90	1701.90	15.4850	15.5050	763.50	765.50	1852.50	1882.50
EFP	2.00	6.00	0.2100	0.2600	9.00	14.00	-60.00	-10.00
Active Contract	GCMO Comdty		SINO Comdty		PLNO Comdty		PAMO Comdty	

MACRO

- U.S. equities turned lower in late session weakness following warnings on re-opening the economy from Dr Anthony Fauci, while heavy inflation data also weighed upon sentiment.
- Trade tensions between the U.S. and China were heightened following news that President Trump instructed U.S. pension funds not to invest in Chinese stocks.
- Los Angeles County has indicated they will likely extend the stay at home order for 3-months
- The DJIA finished -1.89% lower to 23,764.78 points, the S&P 500 sunk -2.05% to 2,870.12 points, while the Nasdaq Composite fell 2.06% to 9,002.551 points.
- Declines were led by industrial stocks (-2.84%) as all sectors closed in the red.
- The VIX gauge spiked +19.84% to 33.04
- The greenback traded largely offered on Tuesday, however saw a modest uptick late in trade to finish just -0.2% down. The dollar saw declines against the Euro (EUR/USD +0.39%) and the Yen (USD/JPY -0.49%)
- Treasury yields declined to see the two-year down 1.6bps to 0.158%, while the 10-year sunk -4.5bps to 0.665%.
- U.S. CPI for April fell the most since 2008, driven by plummeting energy prices to print -0.8% MoM from -0.4% previously. Core CPI was down -0.4% MoM (exp: -0.2%)

- Stocks across Europe finished mixed on Tuesday. The Stoxx Europe 600 added +0.26% to 340.57 points, the German Dax eased -0.05% to 10,819.50 points, while in London the FTSE 100 outpaced to add +0.93% to 5,994.77 points.

PRECIOUS

- Gold traded higher on Tuesday to consolidate above USD \$1,700 after opening underneath the figure in Asia.
- It was a generally orderly push higher after marking the session low of USD \$1,693.50 pre-China, finding interest in early European trade to move above USD \$1,700 and pushing to USD \$1,710.20 high in New York.
- Gains were tempered into the close, however the metal remained supported above the psychological USD \$1,700 level.
- Silver remains pinned to USD \$15.50 and continues to see strong demand on dips toward USD \$15.30 - \$15.40.
- Platinum held a narrow range with support evident through USD \$750 - \$760.
- Palladium was unable to hold the USD \$1,900 handle and saw declines in Europe and the U.S.

PRE-ASIA COMMENTS

- Gold firmer in early Asian trade, buoyant above USD \$1,700
- Expect the rates outlook (negative real rates) and deterioration in the global economic outlook to underpin gold prices, with silver to potentially outpace.
- All eyes (and ears) today on Fed Chair Powell's speech.
- Data releases today include;
- U.K. industrial production
- U.K. GDP
- U.S. PPI

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