



MKS PAMP  
GROUP

## Europe/US Market Update - 13th September 2019



### Europe/US Markets (from Globex open)

12-Sep-2019	GOLD		SILVER		PLATINUM		PALLADIUM	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
OPEN	1496.35	1496.85	18.090	18.110	947.10	949.10	1583.70	1588.70
HIGH	1524.00	1524.50	18.450	18.470	959.00	961.00	1619.00	1624.00
LOW	1495.00	1495.50	18.010	18.030	946.00	948.00	1583.00	1588.00
CLOSE	1499.35	1499.85	18.075	18.095	950.70	952.70	1616.80	1621.80
EFP	7.50	7.70	0.0700	0.0800	1.50	2.50	-11.00	-4.00
LBMA Prices	AM	PM	18.190		AM	PM	AM	PM
	1502.95	1515.20			954.00	948.00	1598.00	1600.00
Active Contract	GCZ9 Comdty		SI29 Comdty		PLV9 Comdty		PAZ9 Comdty	

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#### MACRO

- As expected the ECB adopted a comprehensive easing package, cutting the deposit rate to -0.50% and reintroducing QE.
- President Trump tweeted overnight that as a gesture of good will the U.S. would delay tariff increases on USD \$250 billion of goods from China.
- Stocks in the U.S. posted gains as sentiment was buoyed by positive trade headlines and a firm U.S. CPI print.
- The DJIA finished +0.17% higher to 27,182.45 points, the S&P 500 gained +0.29% to 3,009.57 points and the Nasdaq Composite tacked on +0.30% to 8,194.469 points.
- Technology (+0.50%) and materials (+0.72%) led stocks higher, while energy (-0.63%) was the main laggard.
- The VIX gauge lost 2.67% to 14.22
- The greenback saw volatile pricing, notably against the euro post-ECB to finish lower (DXY -

0.28%). The euro finished +0.52% higher after sharply reversing initial ECB declines, bouncing +1.3% off the 1.0927 low.

- U.S. treasury yields were higher, the two year added 5bps to 1.725% and the 10 year firmed 3bp to 1.773%.
- European stocks ended higher on the back of the ECB meeting, seeing the Stoxx Europe 600 add +0.20% to 390.48 points, the German Dax gained +0.41% to 12,410.25 points, while in London the FTSE 100 inched +0.09% to 7,344.67 points.
- U.S. CPI increased +0.1% MoM during August (+1.7% YoY), while core CPI firmed +0.3% MoM (+2.4% YoY).
- U.S. initial jobless claims fell 15,000 to 204,000 (exp: 215,000) during the week ended Sept 7, while the four-week moving average declined 5,250 to 212,500

## **PRECIOUS**

- Whipsaw price action across the precious complex on Thursday as trade headlines and the ECB drove price action
- Gold saw constructive price action during Asian hours, holding support toward USD \$1,490 and moving back through USD \$1,500 as Europe filtered in.
- The ECB announcement and U.S. CPI print underpinned a move toward USD \$1,525, however the rally was soon faded as doubt crept in about the scope of the U.S. tariff delays.
- The metal ended the session back where it started in Asia, sitting underneath USD \$1,500.
- Supportive interest should remain toward USD \$1,490 - \$1,480, while resistance sits toward USD \$1,520 - \$1,525.
- Silver was back to its volatile best, unperturbed by the threat of a break underneath USD \$18 in Asia, seeing support and extending to the recent resistance band of USD \$18.25 - \$18.30 in London.
- The metal attempted a move through USD \$18.50, however sharply reversed the bid tone to once again flirt with a break of USD \$18.
- Platinum was sticky around USD \$950, while palladium extended recent gains to easily move through and hold above USD \$1,600.

## **PRE-ASIA COMMENTS**

- The precious showing early weakness as silver tests USD \$18 and gold sits underneath USD \$1,500.
- A quiet session expected across Asia today due to China on leave for Mid-Autumn Festival
- Ahead today:
  - U.S. imports prices
  - U.S. retail sales
  - University of Michigan consumer sentiment

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