



MKS PAMP GROUP Europe / US Market Update

18th June 2019

Range Europe / US Markets
(from Globex open)

17-Jun-19	GOLD		SILVER		PLATINUM		PALLADIUM	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
OPEN	1339.85	1340.35	14.8450	14.8650	801.30	803.30	1447.30	1453.30
HIGH	1343.00	1343.50	14.8900	14.9100	803.00	805.00	1463.00	1469.00
LOW	1333.00	1333.50	14.7700	14.7900	792.00	794.00	1446.00	1452.00
CLOSE	1339.55	1340.05	14.8400	14.8600	794.20	796.20	1452.60	1458.60
EFP	3.40	3.60	-0.0250	-0.0150	-1.50	-0.50	-12.00	-2.00
LBMA Prices	AM	PM	14.780		AM	PM	AM	PM
	1333.20	1341.30			799.00	795.00	1467.00	1452.00
Active Contract	GCQ9 Comdty		SIN9 Comdty		PLN9 Comdty		PAU9 Comdty	

MACRO

- Markets remained quiet and range-bound overnight as investors seek direction from the upcoming FOMC policy meeting (Wednesday NYK time).
- Stock markets continue to benefit from the potentially lower interest rate environment with the Dow up +0.09% to 26,112.53, S&P500 +0.09% to 2,889.67 and Nasdaq +0.62% to 7845.023.
- European stock indices were narrowly mixed, the Euro Stoxx 600 off -0.09% to 378.46, DAX down -0.09% to 12,085.82, FTSE100 higher by +0.16% to 7,357.31 and CAC40 advancing +0.43% to 5,390.95.
- The dollar ended the session mostly unchanged after falling following the weak NY Empire Manufacturing survey which printed the largest decline on record taking it to the lowest since October 2016.
- WTI Crude fell -1.1% to \$51.97 bbl and Brent Crude slumped -1.74% to \$60.93 bbl as demand concerns again reared their head.
- NY Empire manufacturing index was smashed to -8.6 (+17.8 prior, 11.0 expected), which does not bode well for upcoming US ISM measures.
- US housing data was softer with NAHB housing index, which measures activity in the single-family house market falling to 64 vs 66 in May (67 expected).

PRECIOUS

- A stronger USD and higher equities prompted a bout of selling yesterday in the precious sector throughout the Europe session, although we did bounce back during NYK as the dollar turned.



- Gold was soft in Asia yesterday initially sinking below \$1340 although recovered in the afternoon. Early London traders had other ideas however, on the offer in line with a firmer dollar and tripping some stops from weak longs through \$1338 to eventually hit \$1333.50.
- Gold firmed in NYK following the terrible NY manufacturing data and soft housing data up to the daily peak, then settled either side of \$1340 trading quietly into the afternoon.
- Silver tracked gold throughout the day, with little development or interest for that matter.
- PGM's both ended the day softer, palladium retreating from its impressive run which commenced last week and platinum once again fell below \$800 and fails cling on to any gains through \$815-820.

PRE-ASIA COMMENTS

- Gold marginally higher to start the day, though price action has been slow compared with the previous few Asian sessions.
- We feel investors will now be waiting for the FOMC for clearer direction in the metals.
- Greenback currently modestly softer vs the G10 with the exception of AUD and GBP.
- Data today includes: Euro Zone CPI, German ZEW, US building permits and housing starts and Canadian manufacturing sales.
- Consensus is still that the Fed won't cut rates this week, yet it is expected that given the recent dovish statements from officials and blows to data, there is expected to be a lean towards easing in the statement as well as a flattening in the dot plot.

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