



MKS PAMP
GROUP

Europe/US Market Update - 19th February 2020



Europe/US Markets (from Globex open)

18-Feb-20	GOLD		SILVER		PLATINUM		PALLADIUM	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
OPEN	1585.30	1585.80	17.8375	17.8575	971.50	973.50	2527.00	2567.00
HIGH	1605.00	1605.50	18.2100	18.2300	993.00	995.00	2592.50	2632.50
LOW	1585.30	1585.80	17.8350	17.8550	970.00	972.00	2509.00	2549.00
CLOSE	1600.40	1600.90	18.1625	18.1825	990.00	992.00	2592.50	2632.50
EFP	2.80	2.90	-0.0350	-0.0250	1.00	2.00	-120.00	-80.00
Active Contract	GCJ0 Comdty		SIH0 Comdty		PLJ0 Comdty		PAH0 Comdty	

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MACRO

- Moody's cuts China 2020 forecast to 5.2%
- US equities were mostly lower.
- The Dow Jones fell 165.89 points, the S&P500 eased 9.87 points whilst the Nasdaq eked out a gain of 1.57 points.
- European shares were lower. The Euro STOXX declined 0.4%, the German Dax eased 0.7% whilst the UK FTSE fell 0.7%.
- The VIX gauge surged 9.9% to 15.00.
- The DXY edged higher, finishing the session at 99.45.
- US treasury yields were firmer. The 2 year yield rose 0.4 bps to 1.408% whilst the 10 year yield advanced 0.5 bps to 1.554%
- Oil prices were bid. WTI gained 0.9% to \$52.09 whilst Brent rose 1.3% to \$57.77.
- Base metals were softer with nickel leading the laggards, down 2.2%.
- New York business confidence index lifted 8.1 points to 12.9 points - the highest reading since

May last year.

- The NAHB Housing Market Index edged 1 point lower to 74 points.
- UK unemployment beneficiaries lifted 5.5k in January, but the unemployment rate was unchanged at 3.8% - the lowest since 1975.

PRECIOUS

- A very firm session for the precious.
- Gold regained its safe haven appeal breaching the psychological 1600 level.
- Light bids in Asia saw the yellow metal edge higher to the mid 1580's prior to London open.
- London trade was reasonably firm with XAU pressing up towards 1590 with market participants awaiting NY following their long weekend.
- Once NY opened the metal surged higher with hardly an offer to be seen, propelling up to a high of 1605.
- Silver was also extremely firm, regaining the 18 handle , trading to a high of 18.22.
- The PGM's weren't immune to the strong demand with palladium rocketing another \$100 higher whilst platinum finally found a bid, rising back up towards 1000.
- The Philadelphia gold and silver index rose 3.86% to 105.95.

PRE-ASIA COMMENTS

- Gold holds the 1600 level in early trade.
- Asian equities open slightly higher despite Wall Street's sell off.
- Ahead today: UK CPI; Canada CPI; US Building Permits; US Housing Starts, US FOMC minutes

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