



MKS PAMP
GROUP

Europe/US Market Update - 23rd August 2019



Europe/US Markets (from Globex open)

22-Aug-2019	GOLD		SILVER		PLATINUM		PALLADIUM	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
OPEN	1500.15	1500.65	17.050	17.070	847.30	849.30	1463.10	1468.10
HIGH	1504.20	1504.70	17.130	17.150	860.00	862.00	1490.00	1495.00
LOW	1492.50	1493.00	16.940	16.960	845.00	847.00	1459.00	1464.00
CLOSE	1498.55	1499.05	17.055	17.075	857.70	859.70	1487.20	1492.20
EFP	9.60	9.80	-0.0300	-0.0200	2.00	3.00	-13.00	-8.00
LBMA Prices	AM	PM	16.960		AM	PM	AM	PM
	1498.70	1502.05			850.00	855.00	1467.00	1478.00
Active Contract	GCZ9 Comdty		SIU9 Comdty		PLV9 Comdty		PAU9 Comdty	

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MACRO

- A relatively quiet session on Thursday as participants kept their powder dry heading into Fed chair Jerome Powell's speech at Jackson Hole on Friday.
- Stocks in the U.S. finished mixed amid whippy price action, reversing strong early session gains.
- The DJIA added +0.19% to 26,252.24 points, the S&P 500 slipped -0.05% to 2,922.95 points and the Nasdaq Composite declined -0.36% to 7,991.387 points.
- There were wins for financials (+0.62%) and consumer stocks (+0.43%), while materials (-0.67%) led the laggards.
- Markets in Europe finished lower as participants considered the FOMC minutes release that came out after Wednesday's close.
- The Stoxx Europe 600 ended -0.40% lower at 374.29 points, the German Dax shed -0.47% to 11,747.04 points, while in London the FTSE 100 sunk -1.05% to 7,128.18 points after the pound surged higher following reports the Angela Merkel has given the U.K. 30 days to come up with

alternatives to the Irish border backstop.

- G10 currencies traded relatively range-bound heading into the Jackson Hole meeting. The greenback finished the session off -0.08%, down modestly against the yen (USD/JPY -0.17%) and losing ground to the pound (GBP/USD +1.04%).
- Initial jobless claims in the U.S. declined 12,000 to 209,000 during the week ended August 17, while the four-week moving average 500 higher to 214,500
- Data from Markit showed the U.S. manufacturing sector contracted during August for the first time since September 2009. The July (flash) PMI fell to 49.9 (exp: 50.5) from 50.4 previously, while the Markit services PMI for July dropped to 50.9 (exp: 52.8) from 53.0 previously.

PRECIOUS

- Gold failed to hold the USD \$1,500 handle on Thursday, however still managed to hold recent support through USD \$1,492 - \$1,495 leading into Jackson Hole.
- Fast money were the main drivers of price direction, likely lightening positions ahead of Powell's speech on Friday.
- The metal tested above USD \$1,500 throughout the session, however was met with offers on each occasion to drive price action lower.
- The low of USD \$1,493.00 saw supportive interest, while the softer Markit U.S. data propelled the metal higher, before late session offers saw a close toward USD \$1,498.
- Near-term support remains around USD \$1,492 - \$1,495, with hard support through USD \$1,475 - \$1,480. Top-side targets extend through USD \$1,510 to ultimately a break of the recent high at USD \$1,535.
- Silver continued to see interest around USD \$17 and although dipped underneath the figure, managed to close above.
- The grey metal looks to support around USD \$16.90 - \$16.85, while top-side targets cut in at USD \$17.20, with extension to the recent high at USD \$17.50.
- Platinum hold range-bound (USD \$840 - \$860), however looks likely to test higher over the near-term (Powell dependant).
- Palladium saw whippy price action to touch a USD \$1460 low, before recovering to move above USD \$1,490. The metal does remain heavy toward USD \$1,500.

PRE-ASIA COMMENTS

- Muted early Asian trade today, as gold remains underneath USD \$1,500, while silver has held the USD \$17 figure.
- All eye today on Fed chair Powell's Jackson Hole meeting.
- On the data calendar today look out for - U.S. new home sales and German import prices.

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