



MKS PAMP  
GROUP

## Europe/US Market Update - 27th August 2020



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

26-Aug-20	GOLD		SILVER		PLATINUM		PALLADIUM	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
OPEN	1919.77	1922.77	26.18	26.28	913.76	933.76	2153.04	2183.04
HIGH	1949.47	1952.47	27.40	27.50	926.46	946.46	2182.44	2212.44
LOW	1899.87	1902.87	25.99	26.09	897.56	917.56	2126.64	2156.64
CLOSE	1945.97	1948.97	27.19	27.29	923.06	943.06	2165.14	2195.14
EFP	5.73	8.73	0.07	0.17	(2.06)	17.94	(13.04)	16.96
Active Contract	GCZ0 Comdty		SIU0 Comdty		PLV0 Comdty		PAU0 Comdty	

### MACRO

- Stocks in the U.S. turned higher on Wednesday, buoyed by positive vaccine headlines.
- The DJIA added +0.30% to 28,331.92 points, the S&P 500 jumped +1.02% to a fresh record close at 3,478.73 points, while the Nasdaq Composite surged +1.73% to a fresh record close of 11,665.063 points.
- It was the 18th record close for the S&P 500 this year, while the Nasdaq Composite notched its 39th record close for 2020.
- Technology names were the main drivers, with notable gains across Tesla (+6.42%), Amazon (+2.85%) and Netflix (+11.61%)
- The VIX gauge increased +5.63% to 23.27
- Market in Europe finished higher to see the Stoxx Europe 600 gain +0.91% to 373.12 points, the German Dax added +0.98% to 13,190.15 points, while in London the FTSE 100 finished +0.14% higher to 6,045.60 points.
- The greenback sharply retraced European gains in New York (DXY -0.13%), ending relatively

unchanged against the Euro above 1.18, while the Japanese Yen firmed +0.41% as the pair tested a move underneath 106.00

- Treasury yields ended the session largely unchanged to see the two-year close toward 0.152% and the 10-year end around 0.688%.
- Oil futures tracked sideways as WTI finished flat at USD \$43.40 per barrel, while Brent crude eased -0.5% to USD \$45.80 per barrel.
- U.S. MBA mortgage application declined -6.5% during the week ended August 21.
- U.S. durable goods orders jumped +11.2% during July on the back of strong consumer demand for autos (+22%). Excluding transportation orders were +2.4% higher.
- The closely watched capital goods orders nondef ex air climbed +1.9%.

## **PRECIOUS**

- A firm session across the precious complex on Wednesday as metals withstood early European offers to post strong gains.
- A quiet Asian session gave way to European offers, dragging gold underneath USD \$1,910 to test the psychological USD \$1,900 figure.
- Strong interest toward the key figure restricted any further declines, with the metal sharply retracing declines into the New York open.
- The USD \$1,930 pivot provided a brief period of resistance, however it was generally one-way traffic throughout the remainder of the session as gold moved above USD \$1,950 and held the level into the close.
- Investor's looked to position themselves ahead of an expected dovish tone from Fed chair Powell on Thursday.
- Silver continued to see demand toward USD \$26 restrict further declines in European trade.
- The grey metal ripped higher in New York to add +3.8% on the session and finish toward USD \$27.50.
- Platinum saw interest toward USD \$900 and pushed higher in New York to book a modest gain, while palladium registered a positive session to test USD \$2,200

## **PRE-ASIA COMMENTS**

- Gold trades hold above USD \$1,950 during early Asian trade.
- Ahead today:
- Federal Reserve Chair Jerome speaks at Jackson Hole (virtual meeting)
- U.S. GDP
- U.S. PCE
- U.S. initial jobless claims/continuing claims
- Bloomberg U.S. consumer confidence
- U.S. pending home sales

---

*Although the information in this report has been obtained from and is based upon sources MKS believes to be reliable, we do not guarantee its accuracy and it may be incomplete or condensed. All opinions and estimates constitute MKS' judgment as of the date of this report and are subject to change without notice. This report is for informational purposes only and is not intended as investment advice, offer or solicitation for the purchase or sale of an investment. This report does not consider or take into account the investment objectives or financial situation of a particular party.*