



MKS PAMP  
GROUP

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



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

24-Jan-20	GOLD		SILVER		PLATINUM		PALLADIUM	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
<b>OPEN</b>	1560.80	1561.30	17.8000	17.8200	1008.00	1011.00	2445.50	2455.50
<b>HIGH</b>	1575.80	1576.30	18.1500	18.1700	1018.50	1021.50	2487.00	2497.00
<b>LOW</b>	1556.60	1557.10	17.7675	17.7875	1002.50	1005.50	2384.00	2394.00
<b>CLOSE</b>	1571.00	1571.50	18.1000	18.1200	1006.50	1009.50	2426.50	2436.50
<b>EFP</b>	-0.75	-0.65	-0.0150	-0.0050	2.50	3.50	-120.00	-110.00
<b>Active Contract</b>	GCG0 Comdty		SIHO Comdty		PLF0 Comdty		PAHO Comdty	

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### MACRO

- US equities posted declines on Friday on further fears of a global economic slowdown as a result of the coronavirus.
- The DJIA ended trade off -0.58% at 28,989.73 points, the S&P 500 slumped -0.90% to 3,295.47 points, while the Nasdaq Composite fell -0.93% to 9,314.911 points
- The VIX gauge surged 12.17% to 14.56
- The US dollar index firmed against majors on Friday (DXY +0.18%). The greenback made firm gains relative to the Euro (EUR/USD -0.26%) and the pound (GBP/USD -0.35%), while safe-haven flows supported the Yen (USD/JPY +0.18%).
- U.S. treasury yields moved lower on the flight to safety. The two-year slid 2.4bps to 1.496% and the 10-year slumped 5bps to 1.689%.
- Stocks in Europe turned higher on news that the World Health Organisation had not yet declared a 'global emergency' over the corona virus.

- The Stoxx Europe 600 jumped +0.86% to 423.64 points, the German Dax ripped +1.41% higher to 13,576.68 points, while the U.K. FTSE 100 finished +1.04% higher to 7,585.98 points.
- Oil futures were dragged lower on growth fears to see WTI fall -3% to around USD \$54, while Brent crude handed back -2.5% to USD \$60.70.

## **PRECIOUS**

- Gold firmed in U.S. trade on Friday, buoyed by heightened concerns over the coronavirus.
- A relatively quiet session leading into New York saw gold oscillate around USD \$1,560
- Softer U.S. equities and a move lower in U.S. yields underpinned price action to see gold touch a session high of USD \$1575.80 and hold the majority of gains into the close.
- Silver moved through USD \$18 in New York and remained buoyant into the close.
- Platinum held firm around USD \$1,000 on Friday, once again hitting resistance toward USD \$1,020
- Palladium trimmed recent gains, easing underneath USD \$2,400 in New York, however able to recapture the figure late in trade.

## **PRE-ASIA COMMENTS**

- An escalation in concerns over the coronavirus has seen gold open firmer in Asia, extending above USD \$1,585 in early trade.
- Liquidity will remain thinner than usual due to China's New Year break.
- Ahead today:
- German IFO data
- U.S. New Home Sales
- Dallas Fed manufacturing activity

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