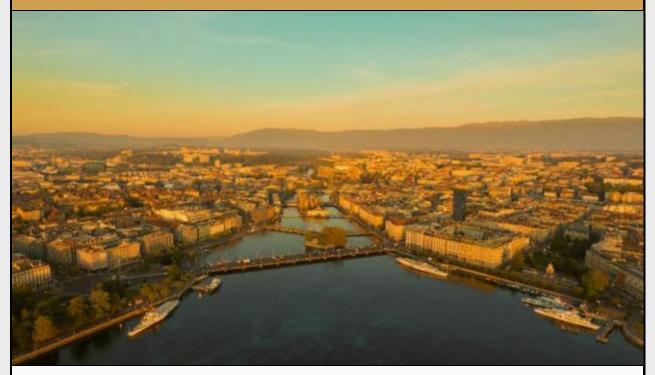


# Europe/US Market Update - 2nd July 2020



## Europe/US Markets (from Globex open)

1-Jul-20	GOLD		SILVER		PLATINUM		PALLADIUM	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
OPEN	1783.80	1784.80	18.2425	18.2625	831.00	833.00	1921.00	1951.00
HIGH	1788.80	1789.80	18.4450	18.4650	838.00	840.00	1943.00	1973.00
LOW	1759.90	1760.90	17.8400	17.8600	810.00	812.00	1909.00	1939.00
CLOSE	1771.10	1772.10	18.0300	18.0500	823.50	825.50	1927.50	1957.50
EFP	8.00	12.00	0.2200	0.3000	10.00	20.00	-20.00	20.00
Active Contract	GCQ0 Comdty		SIU0 Comdty		PLV0 Comdty		PAU0 Comdty	

## MACRO

- Positive data shows economic activity is improving.
- Despite the optimistic data, US equities were mixed.
- The Dow fell 78 points, the S&P500 gained 16 points whilst the Nasdaq advanced 96 points.
- European shares were softer. The Euro STOXX fell 0.2%, the German Dax eased 0.4% whilst the UK FTSE retreated 0.2%.
- The VIX gauge lost 5.9% to 29.00.
- The DXY was lower on the day closing the session at 97.16, down 0.23%.
- US treasury yields were firmer. The 2 year yield rose 1.2 bps to 0.162% whilst the 10 year yield gained 0.2 bps to 0.674%.
- Oil prices were flat to higher. WTI closed unchanged at \$39.71 whilst Brent rose 0.6% to \$41.93.
- Base metals were mixed. Copper rose 0.8% whilst zinc fell 0.3%,
- The CRB index rose 0.8% to 139.14.
- US ISM manufacturing Index came in at 52.6 showing the US economy is rapidly recovering.
- The ADP employment report showed 2.369m jobs were created in June.
- June manufacturing data for the euro area continues to improve

#### PRECIOUS

- Gold gave up its recent gains in response to the positive economic data.
- Asia trade was fairly mute trading within a \$5 range 1780-1785.
- Europe had some buying interest, squeezing the yellow metal up to recent highs just south of 1790.
- Once NY opened it was one way traffic for the precious complex, with gold falling off a cliff to a low of 1760.90.
- Some light buying towards the close saw XAU close about \$10 off the highs at 1771.
- Silver also came tumbling lower, trading back under 18.
- The PGM's weren't immune to to long liquidation, with platinum testing 800 support once again whilst palladium continues to hover sub 2000.
- The Philadelphia gold and silver index eased 0.37% to 128.68.

#### **PRE-ASIA COMMENTS**

- Gold edges lower in early trade.
- Asian equities open higher.
- Ahead today: Canada balance of trade; US NFP's; US unemployment

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