



MKS PAMP  
GROUP

## 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
<b>OPEN</b>	1783.80	1784.80	18.2425	18.2625	831.00	833.00	1921.00	1951.00
<b>HIGH</b>	1788.80	1789.80	18.4450	18.4650	838.00	840.00	1943.00	1973.00
<b>LOW</b>	1759.90	1760.90	17.8400	17.8600	810.00	812.00	1909.00	1939.00
<b>CLOSE</b>	1771.10	1772.10	18.0300	18.0500	823.50	825.50	1927.50	1957.50
<b>FFP</b>	8.00	12.00	0.2200	0.3000	10.00	20.00	-20.00	20.00
<b>Active Contract</b>	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 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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