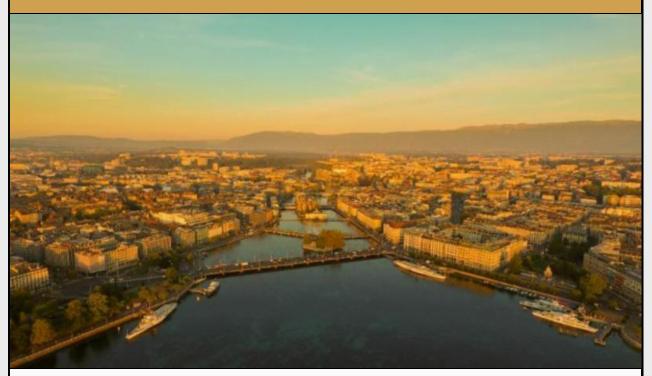


Europe/US Market Update - 2nd March 2020



Europe/US Markets (from Globex open)

28-Feb-20	GOLD		SILVER		PLATINUM		PALLADIUM	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
OPEN	1632.90	1633.40	17.2225	17.2425	886.00	889.00	2801.50	2821.50
HIGH	1641.40	1641.90	17.4025	17.4225	893.50	896.50	2804.00	2824.00
LOW	1563.10	1563.60	16.3950	16.4150	848.50	851.50	2494.50	2514.50
CLOSE	1585.80	1586.30	16.6600	16.6800	866.00	869.00	2600.00	2620.00
EFP	1.00	1.10	0.0000	0.0200	0.00	2.00	-100.00	-70.00
Active Contract	GCJ0 Comdty		SIH0 Comdty		PLF0 Comdty		PAM0 Comdty	

MACRO

- Markets factoring in a rate cut by the Fed this month.
- Global equities hammered on Friday with US yields hitting record lows.
- The Dow Jones closed down 1.4%, the S&P500 lost 0.8% whilst the Nasdaq managed to close flat.
- European shares were also sold heavily. The Euro STOXX fell 3.7%, the German Dax dropped 3.9% whilst the UK FTSE lost 3.2%.
- The VIX gauge rose 2.4% to 40.00.
- US treasury yields slumped to record lows. The 2 year yield fell 13.5 bps to 0.913% whilst the 10 year yield fell 9.9 bps to 1.149%.
- Oil prices were softer. WTI eased 2.2% to \$44.76 whilst Brent declined 2.6% to \$49.67.
- Base metals were mixed. Nickel fell 1% whilst zinc posted a gain of 0.5%.
- The CRB index fell 2.3% to 159.45.
- China's PMI was worse than expected at 35.7, a record low.
- US PCE and University of Michigan consumer data both improved.

PRECIOUS

- Precious metals were heavily sold on Friday with all four metals suffering ugly losses.
- Asia trade was quiet to start with but large offers began to appear late in the afternoon pressuring gold down to the low 1620's.
- A bout of short covering in London pushed XAU back up towards 1640 but this proved to be the extent of the bounce.
- NY came in on the offer, and there was no bid to be seen with the yellow metal collapsing through 1600 down to a low of 1564.
- A slight bounce into the close saw the metal finish the session in the mid 1580's, but well and truly under the psychological 1600 level.
- Silver was also under the pump, sinking to a low of 16.41, before staging a dead cat bounce into the close.
- The PGM's weren't immune to the carnage with platinum trading down to recent lows whilst palladium dumped nearly \$300 testing 2500 support.
- The Philadelphia gold and silver index fell 2.25% to 159.45.

PRE-ASIA COMMENTS

- Gold trades wildly on the Asia open swinging between 1580-1590 in the first hour of trade.
- Equities continue to free fall with US futures trading heavily in the red.
- Ahead today: UK consumer credit; Canada mfg PMI, US ISM employment

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