



MKS PAMP
GROUP

Europe/US Market Update - 31st July 2020



Europe/US Markets (from Globex open)

| 30-Jul-20 | GOLD | | SILVER | | PLATINUM | | PALLADIUM | |
|------------------------|-------------|---------|-------------|---------|-------------|--------|-------------|---------|
| | Bid | Offer | Bid | Offer | Bid | Offer | Bid | Offer |
| OPEN | 1958.40 | 1959.00 | 23.8125 | 23.8325 | 925.00 | 927.00 | 2145.00 | 2175.00 |
| HIGH | 1961.80 | 1962.40 | 23.8650 | 23.8850 | 929.00 | 931.00 | 2153.50 | 2183.50 |
| LOW | 1939.90 | 1940.50 | 22.9250 | 22.9450 | 885.00 | 887.00 | 2028.00 | 2058.00 |
| CLOSE | 1954.80 | 1955.40 | 23.3300 | 23.3500 | 903.00 | 905.00 | 2088.50 | 2118.50 |
| EFP | -11.00 | -7.00 | 0.0300 | 0.1100 | 8.00 | 18.00 | 30.00 | 60.00 |
| Active Contract | GCQ0 Comdty | | SIU0 Comdty | | PLV0 Comdty | | PAU0 Comdty | |

MACRO

- US 10 year treasury yields fall to the lowest level since March's all time low.
- Soft US data puts pressure on equities.
- The Dow Jones fell 225 points, the S&P500 eased 12 points whilst the Nasdaq posted a gain of 45 points.
- European shares were also weaker. The Euro STOXX sank 2.8%, the German Dax dropped 3.5% whilst the UK FTSE lost 2.3%.
- The VIX gauge rose 2.7% to 25.00
- As noted above US treasury yields were weak. The 2 year yield fell 0.8 bps to 0.119% whilst the 10 year yield retreated 2.8 bps to 0.543%.
- Oil prices were soft. WTI fell 2.1% to \$40.33 whilst Brent declined 0.6% to \$43.39.
- Base metals were lower across the board with nickel the hardest hit, down 1.1%.
- The CRB index eased 1.1% to 142.80.
- US GDP fell a record 32.9%.
- US initial jobless claims rose to 1.434m.

- German GDP fell 10.1% in Q2 q/q
- Euro area June unemployment rose to 7.8%

PRECIOUS

- A soft day for the precious following the whipsaw action after the Fed.
- Asia were sellers from the opening bell pressuring gold about \$20 lower trading sub 1950.
- Europe had two way interest with XAU oscillating between 1945-1955 for the most part.
- NY sold the yellow metal to days low around 1940 despite the soft GDP number.
- Short covering and bargain hunters were happy to buy into the weakness squeezing the market back up above 1950.
- Silver yet again traded in a wide range with extreme volatility.
- Europe came in aggressively on the offer pressuring the grey metal sub 24 and it was one way traffic down to a low of 23 before staging a minor recovery.
- The PGM's weren't immune to the sell off, with platinum trading back under 900 whilst palladium dumped \$100.
- The Philadelphia gold and silver index slumped 3.5% to 150.26

PRE-ASIA COMMENTS

- Gold edges higher in early trade
- Asian equities open lower following Wall Street's lead.
- Ahead today: Euro area GDP; US core PCE price index

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