



MKS PAMP
GROUP

Europe/US Market Update - 31st October 2019



Europe/US Markets (from Globex open)

30-Oct-19	GOLD		SILVER		PLATINUM		PALLADIUM	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
OPEN	1489.05	1489.55	17.8300	17.8500	920.10	922.10	1782.70	1792.70
HIGH	1495.65	1496.15	17.9550	17.9750	926.90	928.90	1819.20	1829.20
LOW	1480.75	1481.25	17.5800	17.6000	913.30	915.30	1774.00	1784.00
CLOSE	1494.35	1494.85	17.8550	17.8750	922.30	924.30	1798.90	1808.90
EFP	1.85	2.35	(0.0100)	0.0100	3.00	5.00	(30.00)	(20.00)
Active Contract	GCZ9 Comdty		SIZ9 Comdty		PLFO Comdty		PAZ9 Comdty	

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MACRO

- As expected the U.S. FOMC cut rates by 25bps, while signalling an intention to pause the current easing cycle.
- U.S. equities ended firmer, buoyed late in trade post-FOMC.
- The DJIA added +0.43% to 27,186.69 points, the S&P 500 pushed +0.33% higher to 3,046.77 points and the Nasdaq Composite gained +0.33% to 8,303.977 points
- Health care (+0.78%) and utilities (+0.87%) led gains, while energy (-2.12%) was the laggard.
- The VIX gauge fell -6.59% to 12.33
- The greenback saw whipsaw pricing around the FOMC announcement to ultimately end -0.21% lower as the euro (+0.33%) and the Australian dollar (+0.53%) surged higher.
- U.S. treasury yields declined overnight to see the two-year 5bps lower to 1.596% and the 10-year 6bps lower to 1.773%.
- Stocks across Europe finished mixed overnight heading into the FOMC meeting, as financial stocks weighed upon bourse's following an earnings miss from Deutsche Bank
- The Stoxx Europe 600 inched +0.08% higher to 398.70 points, the German Dax eased -0.23% to

6,682.699 points and in London the FTSE 100 firmed +0.34% to 7,330.78 points.

- ADP employment in the U.S. outpaced expectations during October, increasing 125k (exp: 110k), however September saw a negative revision to 93k from 135k previously.
- U.S. GDP printed +1.9% QoQ during 3Q (exp: +1.6%) from 2.0% previously. Personal consumption slumped to +2.9% QoQ (prev: +4.6%) and core PCE improved to +2.2% QoQ (prev: +1.9%).

PRECIOUS

- Whipsaw price action for gold overnight around the FOMC announcement, plummeting USD \$13 to a USD \$1,481.25 low before being bid back up to a session high of USD \$1,495.65.
- The yellow metal traded with a mild bid tone throughout the session, although saw muted interest in Asia as China held an on-shore premium around USD \$6.
- European names were on the bid early to see gold toward USD \$1,495 leading into New York, while price action around the FOMC announcement ultimately ended with the metal closing toward the session high.
- Silver tested USD \$18 pre-FOMC and saw a sharp fall to USD \$17.62 on the announcement before recovering toward USD \$17.80 at the close.
- Platinum held support toward USD \$910 - \$915 to finish around the session high.
- Palladium once again printed above USD \$1,800 and managed to hold the figure into the close. The white metal touched a fresh all-time record of USD \$1,820.

PRE-ASIA COMMENTS

- Quiet pricing pre-China as gold holds onto the post-FOMC gains.
- The yellow metal remains range-bound between USD \$1,480 - \$1,500
- Ahead today:
- China manufacturing PMI
- China non-manufacturing PMI
- Germany retail sales
- Eurozone GDP
- Eurozone CPI
- U.S. Personal income/spending
- U.S. PCE
- U.S. initial jobless claims

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