



MKS PAMP  
GROUP

## Europe/US Market Update - 5th August 2020



### Europe/US Markets (from Globex open)

4-Aug-20	GOLD		SILVER		PLATINUM		PALLADIUM	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
OPEN	1976.50	1977.10	24.3925	24.4125	925.50	927.50	2096.00	2126.00
HIGH	2009.10	2009.70	25.9750	25.9950	942.00	944.00	2152.00	2182.00
LOW	1967.50	1968.10	24.1350	24.1550	911.00	913.00	2079.50	2109.50
CLOSE	2008.70	2009.30	25.7650	25.7850	936.50	938.50	2138.50	2168.50
EFP	16.00	20.00	0.0150	0.0950	13.00	23.00	30.00	60.00
Active Contract	GCZ0 Comdty		SIU0 Comdty		PLV0 Comdty		PAU0 Comdty	

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#### MACRO

- Stocks in the U.S. finished higher on Tuesday on hopes of a fresh U.S. stimulus package following reports of 'productive' discussions.
- The DJIA added +0.62% to 26,828.47 points, the S&P 500 gained +0.36% to 3,306.51 points and the Nasdaq Composite finished +0.35% to 10,491.168 points.
- Energy, real estate and consumer staples led gains
- The VIX gauge declined -2.14% to 23.76
- The greenback resumed its downtrend following a recent period of respite. The DXY sunk -0.3% as the Euro test above 1.18 and the Swiss Franc declined back under 0.92 against the dollar.
- Treasury yields posted modest declines as the two-year eased 1bp to 0.107% and the 10-year fell 4bps to 0.51%.
- Stocks in Europe finished mixed to see the Stoxx Europe 600 ease -0.07% to 363.39 points, the German Dax declined -0.36% to 12,600.87 points, while in London the FTSE 100 inched +0.05% higher to 6,036.00 points.

- U.S. factory orders increased +6.2% during June, while durable goods orders increased +7.6% during June.

## **PRECIOUS**

- A monumental session for gold on Tuesday, breaking above USD \$2,000 for the first time on record.
- Price action was largely reserved for U.S. hours as the yellow metal accelerated gains following a test toward the recent USD \$1,960 support in Europe.
- A weaker dollar and declining U.S. yields were the main drivers, pushing gold through the psychological USD \$2,000, printing a session high of USD \$2,010.
- The move higher saw a mixture of macro buyers and real money in conjunction with short covering around USD \$2,000
- The metal will now look to consolidate gains above USD \$2,000
- Silver followed gold higher after once against holding support toward USD \$24
- The grey metal moved sharply through USD \$25, before running into resistance at USD \$26, failing to break the recent trend high of USD \$26.20 printed on 28 July.

## **PRE-ASIA COMMENTS**

- Gold has firmed in early Asian trade to test above the New York high, while silver opened through USD \$26.
- Ahead today:
- Markit services/composite PMI prints from Italy, France, Germany, Eurozone, U.K. and U.S.
- Eurozone retail sales
- U.S. MBA mortgage applications
- U.S. ADP employment
- U.S. trade balance
- U.S. ISM services index

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