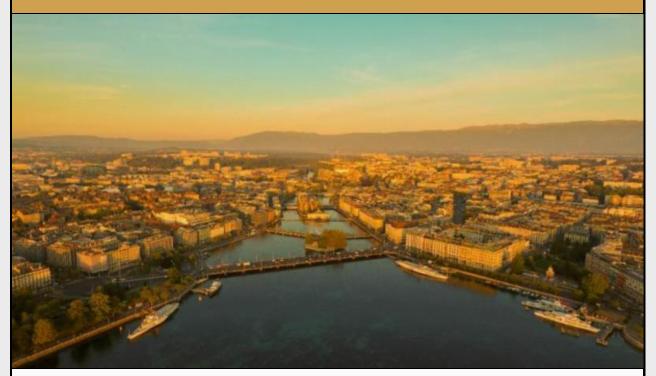


## Europe/US Market Update - 7th April 2020



Europe/US Markets (from Globex open)

| 6-Apr-20        | GOLD        |         | SILVER      |         | PLATINUM   |        | PALLADIUM   |         |
|-----------------|-------------|---------|-------------|---------|------------|--------|-------------|---------|
|                 | Bid         | Offer   | Bid         | Offer   | Bid        | Offer  | Bid         | Offer   |
| OPEN            | 1619.30     | 1623.30 | 14.4625     | 14.5125 | 733.50     | 735.50 | 2211.00     | 2231.00 |
| HIGH            | 1663.20     | 1667.20 | 15.0000     | 15.0500 | 742.50     | 744.50 | 2212.50     | 2232.50 |
| LOW             | 1619.70     | 1623.70 | 14.4500     | 14.5000 | 728.00     | 730.00 | 2108.00     | 2128.00 |
| CLOSE           | 1662.70     | 1666.70 | 15.0075     | 15.0575 | 741.50     | 743.50 | 2167.00     | 2187.00 |
| EFP             | 36.00       | 40.00   | 0.2800      | 0.3300  | -3.00      | -1.00  | -100.00     | -50.00  |
| Active Contract | GCM0 Comdty |         | SIKO Comdty |         | P∐0 Comdty |        | PAM0 Comdty |         |

## **MACRO**

- US equities rocketed higher overnight as the virus appears to not be accelerating as rapidly in some hot spots.
- The Dow Jones rallied 1,627 points, the S&P500 jumped 175 points whilst the Nasdaq rose a staggering 540 points.
- European shares were higher. The Euro STOXX rose 5%, the German Dax gained 5.8% whilst the UK FTSE advanced 3.1%.
- The VIX gauge fell 3.3% to 45.
- US treasury yields were firmer. The 2 year yield rose 2.4 bps to 0.264% whilst the 10 year yield firmed 4.7 bps to 0.675%.
- Oil prices were softer. WTI fell 5.9% to \$26.30 whilst Brent fell 2.1% to \$33.29.
- Base metals were mixed. Aluminium was 0.6% lower, whilst zinc posted a gain of 1.2%.
- UK PM Johnston, was moved to intensive care as his COVID-19 condition worsened.
- Germany's construction PMI fell dramatically into contractionary territory in March, down

13.8 points to 42.

## **PRECIOUS**

- A very firm day for the precious with gold rallying over \$50 on the day.
- Asia opened to some selling, as gold traded down to the days lows around 1610.
- From that moment on it was a gradual rise higher for the ensuing 24 hours.
- China were buyers pushing the metal back above 1620.
- The demand continued in London as XAU pushed up towards 1640 prior to NY open.
- The Americans continued to bid the metal a further \$30 higher.
- Silver also rocketed northwards breaching the psychological 15 level.
- The PGM's were quieter as palladium drifted lower whilst platinum found a slight bid.
- The Philadelphia gold and silver index advanced 5.88%.
- The SPDR gold trust holdings rose 0.54% to 984.26 metric tons.

## **PRE-ASIA COMMENTS**

- Gold firm in early trade.
- Asian equities open higher following Wall Street's stellar performance.
- Ahead today: US consumer credit

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