



MKS PAMP GROUP
Europe / US Market Update
4th October 2018

Range Europe / US Markets
(from Globex open)

3-Oct-18	GOLD		SILVER		PLATINUM		PALLADIUM	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
OPEN	1205.85	1206.35	14.7600	14.7900	830.80	833.80	1055.90	1060.90
HIGH	1206.05	1206.55	14.780	14.810	836.00	839.00	1067.40	1072.40
LOW	1197.75	1198.25	14.6250	14.6550	826.80	829.80	1047.60	1052.60
CLOSE	1198.65	1199.15	14.6500	14.6800	828.10	831.10	1059.50	1064.50
EFP	3.65	4.15	0.0100	0.0400	1.00	4.00	-14.00	-9.00
LBMA Prices	AM	PM	14.7350		AM	PM	AM	PM
	1203.50	1201.20			829.00	832.00	1050.00	1050.00
Active Contract	GCZ8 Comdty		SIZ8 Comdty		PLF9 Comdty		PAZ8 Comdty	

MACRO

- US equities were modestly firmer with US data better than expected.
- The Dow Jones climbed 54.45 points, the S&P500 advanced 2.08 points whilst the Nasdaq rose 25.54 points.
- European shares were also firmer. The Euro STOXX rose 0.5%, the German Dax was flat whilst the UK FTSE gained 0.5%.
- The VIX gauge fell 3.74% to 11.61.
- The greenback surged, with the EUR trading as low as 1.1464 whilst the USDJPY posted a high of 114.58.
- US treasury yields rocketed higher. The 2 year yield jumped 5.1 bps to 2.872% whilst the 10 year yield rallied 10.7 bps to 3.179%.
- Oil prices were firmer again. WTI rose 1.2% to \$76.19 whilst Brent advanced 1.2% to \$85.97.
- Base metals were mixed. Zinc was down 0.6% whilst aluminium rallied 4.2%.
- The CRB index rose 0.6% to 20123.
- US economic data was firm. The ISM non manufacturing came in well above expectations (61.6 vs 58 exp)
- US ADP employment came in at 230k versus 184k expected.

PRECIOUS

- Strong US data and surging treasury yields put downside pressure on the precious complex.
- Asia opened to some light demand following the strong session in NY, which brought XAU up to 1208 but a lack of any follow through buying saw the metal starting to slide leading into London.
- SGE is still closed as it will be for the remainder of the week.
- European trade was mixed with the yellow metal oscillating between 1202-1205.
- NY were initial buyers despite the greenback's strength.
- Once the better than expected ISM and ADP reports were released, XAU began to push lower, trading back under 1200.
- Silver also retreated from the highs trading to a low of 14.65.
- The Philadelphia gold and silver index retreated 1.24%.
- The SPDR gold trust holdings fell 0.84% to 731.64 metric tons.



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PRE-ASIA COMMENTS

- Asian equities open firmer.
- The USD remains on the front foot putting downward pressure on the metals.
- Ahead today:
 - US durable goods orders
 - US factory orders

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