



# MKS PAMP GROUP

## Europe / US Market Update

### 5<sup>th</sup> October 2018

Range Europe / US Markets  
(from Globex open)

4-Oct-2018	GOLD		SILVER		PLATINUM		PALLADIUM	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
OPEN	1197.05	1197.55	14.595	14.615	822.80	824.80	1051.60	1056.60
HIGH	1206.30	1206.80	14.760	14.780	832.00	834.00	1062.00	1067.00
LOW	1196.00	1196.50	14.520	14.540	820.00	822.00	1051.00	1056.00
CLOSE	1199.25	1199.75	14.575	14.595	823.80	825.80	1055.20	1060.20
EFP	3.60	3.80	0.0200	0.0300	2.00	3.00	-13.00	-6.00
LBMA Prices	AM	PM	14.630		AM	PM	AM	PM
	1199.45	1203.45			821.00	830.00	1054.00	1060.00
Active Contract	GCZ8 Comdty		SIZ8 Comdty		PLF9 Comdty		PAZ8 Comdty	

#### MACRO

- US equities succumb to profit taking following Fed Chair Powell's hawkish comments.
- The Dow Jones fell 200.1 points, the S&P500 fell 23.9 points, whilst the Nasdaq declined an ugly 145.76 points.
- European shares also ended lower with the Euro STOXX declining 0.9%, the German Dax fell 0.4% whilst the UK FTSE eased 1.2%.
- The VIX gauge catapulted 22.5% higher.
- US treasury yields were lower. The 2 year yield fell 2.5 bps to 2.868% whilst the 10 year yield lost 3.2 bps to 3.185%.
- The USD was mixed against the G10 with risk off propping up JPY, whilst the GBP outperformed with the UK planning to fast track a Brexit deal.
- Oil prices were softer. WTI fell 2.2% to \$74.68 whilst Brent eased 1.5% to \$84.79.
- Base metals were mixed. Copper closed the day 0.4% firmer whilst nickel fell 2.2%.
- The CRB index declined 1.2% to 198.79.
- US factory orders rebounded in August, rising 2.3% m/m (exp. 2.1%).
- Durable goods came in a touch below estimates at 4.4% m/m

#### PRECIOUS

- A range bound session for the precious, with gold once again unable to sustain prices north of 1200.
- Asia was quiet again with China still closed.
- Light supply was seen throughout the Asian day but 1196 seemed to have some good buying interest which held throughout the day.
- London were on the bid, pushing the yellow metal back above 1200.
- The EUR began to find a bid which aided in gold's northward trajectory leading into NY open.
- NY tried taking XAU higher with some large buying seen on the open, but the demand soon waned and the market began to fade late in the session.
- After trading as high as 1206.30, longs started to bail pushing the market back under 1200 leading into the close.
- Silver tried pushing higher again, touching a peak of 14.76, but it too was unable to sustain the upper end of its recent range and finished the session at 14.58.
- All eyes on NFP's tonight.



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- The Philadelphia gold and silver index fell 0.34%.
- The SPDR gold trust holdings were unchanged at 731.64 metric tons

#### **PRE-ASIA COMMENTS**

- Asian equities open higher despite Wall Street's rout.
- Gold trades quietly ahead of the much anticipated NFP.
- Ahead today:
  - German PPI
  - Swiss CPI
  - Canada unemployment
  - US NFP's
  - US unemployment rate

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