



**MKS PAMP GROUP**  
**Europe / US Market Update**  
**7<sup>th</sup> December 2018**

Range Europe / US Markets  
(from Globex open)

6-Dec-2018	GOLD		SILVER		PLATINUM		PALLADIUM	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
OPEN	1238.35	1238.85	14.435	14.455	793.10	795.10	1222.30	1230.30
HIGH	1244.00	1244.50	14.470	14.490	794.00	796.00	1240.00	1248.00
LOW	1234.50	1235.00	14.340	14.360	784.00	786.00	1188.00	1196.00
CLOSE	1239.95	1240.45	14.455	14.475	788.20	790.20	1190.00	1198.00
EFP	5.30	5.50	0.0600	0.0700	0.50	1.50	-58.00	-43.00
LBMA Prices	AM	PM	14.380		AM	PM	AM	PM
	1236.45	1242.55			791.00	788.00	1221.00	1221.00
Active Contract	GCG9 Comdty		SIH9 Comdty		PLF9 Comdty		PAH9 Comdty	

**MACRO**

- US equities made a solid rebound off their session lows (the Dow was behind 780 points at one point), but still closed mostly down.
- The Dow lost 79.40 points to 24,947.67, the S&P 500 fell 4.11 points to 2,695.95, while the Nasdaq rose 29.83 points to 7,188.26.
- There were wins for REIT's (+2.66%) and communications (+1.04%) while energy (-1.77%) and financials (-1.44%) led the laggards.
- The VIX gauge added 2.17% to 21.19.
- The US dollar index slipped 0.23% to 96.771, the EUR traded up to 1.1407, while USD/JPY was as low as 112.35.
- US treasury yields were lower, the 2 year yield eased 2.0 bps to 2.75% while the 10 year yield lost 0.6 bps to 2.87%.
- European shares were hammered, the EuroSTOXX dropped 3.09%, the German DAX tumbled 3.48%, while the UK FTSE shed 3.15%.
- Oil prices were lower, Brent sold off 2.6% to \$60.60 while WTI gave up 2.4% to \$51.69,
- Base metals were mixed, with zinc (+1.4%) the big mover.
- In US economic data, ADP reported that the private sector added 179k jobs in November.
- The trade deficit widened 1.7% to \$55.5bln in September, a 10 year high.
- Third quarter productivity growth was revised to 2.3% from 2.2%.
- Third quarter unit labor costs increase was revised to 0.9% from 1.2%.
- The ISM non-manufacturing index rose to a seasonally adjusted 60.7% in November.
- Factory orders fell 2.1% in October.
- Initial jobless claims fell 5k to 231k in the week ending December 1.
- Continuing claims fell 74k to 1.63M.

**PRECIOUS**

- Gold traded up to \$1240 during Asian hours as USD/JPY was sold.
- The SGE premium was around \$5-6 over loco London.
- The metal was sold to the session low of \$1235 in late Asian hours as USD/CNH rallied.
- The market consolidated around \$1235-38 through the London AM session.
- The yellow metal surged to \$1244 in early NY trading as USD was broadly offered.



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- The \$1244 apex was gold's highest print since July.
- Plenty of investors were happy to take profits above \$1240, gold finished up flat at \$1237.
- Silver dipped to a low of \$14.35 before paring the losses.
- Profit taking saw palladium shed \$57 to a low of \$1188.
- The Philadelphia gold and silver index added 0.29%.
- SPDR Gold Trust holdings unchanged at 758.21mt.

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

- Gold flat in early Asian trading.
- Ahead today:
  - US Non-farm Payrolls
  - US Unemployment
  - US Average Hourly Earnings
  - US Wholesale Inventories
  - US Consumer Sentiment Index
  - US Consumer Credit
  - EU GDP Growth

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