



# MKS PAMP GROUP

## Europe / US Market Update

### 8<sup>th</sup> January 2019

Range Europe / US Markets  
(from Globex open)

| 7-Jan-2019      | GOLD        |         | SILVER      |        | PLATINUM    |        | PALLADIUM   |         |
|-----------------|-------------|---------|-------------|--------|-------------|--------|-------------|---------|
|                 | Bid         | Offer   | Bid         | Offer  | Bid         | Offer  | Bid         | Offer   |
| OPEN            | 1290.55     | 1291.05 | 15.785      | 15.805 | 826.60      | 828.60 | 1295.80     | 1305.80 |
| HIGH            | 1294.75     | 1295.25 | 15.800      | 15.820 | 829.00      | 831.00 | 1305.00     | 1315.00 |
| LOW             | 1286.00     | 1286.50 | 15.650      | 15.670 | 818.00      | 820.00 | 1295.00     | 1305.00 |
| CLOSE           | 1288.15     | 1288.65 | 15.650      | 15.670 | 820.50      | 822.50 | 1301.10     | 1311.10 |
| EFP             | 1.30        | 1.50    | 0.0500      | 0.0600 | 4.00        | 5.00   | -70.00      | -55.00  |
| LBMA Prices     | AM          | PM      | 15.750      |        | AM          | PM     | AM          | PM      |
|                 | 1291.50     | 1292.20 |             |        | 829.00      | 823.00 | 1311.00     | 1313.00 |
| Active Contract | GCG9 Comdty |         | SIH9 Comdty |        | PLJ9 Comdty |        | PAH9 Comdty |         |

#### MACRO

- U.S. equities posted gains on Monday as investors welcomed the arrival of senior Chinese officials to Washington for trade negotiations.
- The DJIA added +0.42% to end at 23,531.35 points, the S&P 500 gained +0.70% to 2,549.69 points and the Nasdaq Composite jumped +1.26% to 6,823.473 points.
- European stocks ended softer as Brexit jitters re-emerged. The Stoxx Europe 600 eased -0.15% to 342.88 points, the German Dax declined -0.18% to 10,747.81 points and in London the FTSE 100 fell -0.39% to 6,810.88 points.
- Currency majors saw the greenback slide lower (DXY -0.46%), losing ground against the pound (+0.38%) and the euro (+0.69%), while modestly firmer against the yen.
- U.S. treasury yields bounced on Monday as trade negotiations got underway. The two-year added 3.6bps to 2.524% and the 10-year edged 2.3bps higher to 2.684%
- The U.S. ISM non-manufacturing index eased to 57.6 (exp: 58.5) from 60.7 in December to mark the lowest read since July.

#### PRECIOUS

- Gold saw positive price action out of Japan and to a greater extent China on Monday, reversing an early session test toward USD \$1,280 and breaking above USD \$1,290 late in Asia.
- A softer greenback supported the metal to a USD \$1,294.75 high in early New York trade, however firmer equities took some of the shine off the metal to end the session underneath USD \$1,290.
- ETF's continue to underpin positive price action, recording around 500k ounces of inflows this year.
- Silver firmed in Asia and tested a break of USD \$15.80 multiple times in Europe and the U.S. before easing lower late in trade. The metal saw supportive interest underneath USD \$15.70.
- Palladium remained buoyant above USD \$1,300, while platinum held onto Friday's gains to end above USD \$820.



## PRE-ASIA COMMENTS

- Gold tests toward USD \$1.290 in early session trade today and we expect further interest from China with USD/CNH around 6.8450
- Expected range between USD \$1,280 - \$1,295.
- Ahead today:
- German industrial production
- U.K. house prices
- Eurozone consumer confidence
- U.S. small business optimism
- U.S. JOLTS job openings

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