



MKS PAMP GROUP
Europe / US Market Update
11th June 2018

Range Europe / US Markets

11-Jun-18	GOLD		SILVER		PLATINUM		PALLADIUM	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
OPEN	1295.55	1296.05	16.6650	16.6850	897.35	899.35	1009.70	1014.70
HIGH	1300.35	1300.85	16.8250	16.8450	906.25	908.25	1016.90	1021.90
LOW	1291.95	1292.45	16.6300	16.6500	896.35	898.35	1007.50	1012.50
CLOSE	1298.55	1299.05	16.7700	16.7900	905.95	907.95	1012.90	1017.90
EFP	3.80	4.20	0.0050	0.0250	-0.25	0.75	-10.00	-5.00
LBMA Prices	AM	PM	16.7200		AM	PM	AM	PM
	1299.20	1298.25			898.00	901.00	1013.00	1015.00
Active Contract	GCQ8 Comdty		SIN8 Comdty		PLN8 Comdty		PAU8 Comdty	

MACRO

- It was a fairly muted session across most markets on Friday as investors remain cautious ahead of a series of central bank meetings this week (FOMC Wednesday, ECB Thursday, BoJ Friday), as well as the landmark meeting between Trump and North Korea's Kim.
- U.S equities crept higher, the DJIA up +75.12 points (+0.3%) to 25,316.53, the S&P500 advanced +8.66 points (+0.31%) to 2,779.03 and the NASDAQ Composite inclined +10.441 points (+0.14%) to 7,645.511.
- European equities edged lower, the EuroFirst 300 down -3.68 points (-0.24%) to 1,505.50 and the Euro Stoxx 600 declined -0.82 of a point (-0.21%) to 385.12. Regionally the DAX shed -0.35%, FTSE100 -0.3% and CAC40 was flat.
- G7 summit was held over the weekend and as expected proceedings were rife with tension, leaders holding a firm stance against the U.S planned tariffs.
- Trump left the G7 meeting early to attend his meeting in Singapore and fired a couple of tweets disavowing a joint statement the U.S had previously agreed to. He also lashed out at Canadian PM Justin Trudeau, who has pledged to retaliate with tariffs on a number of U.S products.
- CAD and AUD have been the hit the hardest after all of this unfolded.
- FOMC will be in focus this week where it is broadly expected that rates will be hiked +25bps.
- ECB will be watched also, given the rhetoric from officials lately that QE could come to end in the short to medium term. This is generally expected to be discussed, even if a date is not officially set - so expect some EUR volatility around this release.



PRECIOUS

- It was another range-bound session for gold Friday, with a small downside sweep taking us to the lows late in Asia and a topside sweep in Europe taking us to the days highs just above \$1300.
- The yellow metal opened around \$1297 in Asia Friday, with light buying seen from the open, which continued into the Chinese morning session.
- SGE premium again remained around \$5-6 over the Loco London price, which had remained fairly consistent throughout the whole week for onshore traders.
- During the Asia pm session there was a very quick flush out lower, yet again we saw decent buying towards the low end of the range (\$1291-93) and we quickly popped back up towards \$1296.
- Late Europe/ Early NY there was a quick jump through \$1300, although once again it proved heavy above there with a combination of producer and real money sellers capping any further advance.
- The rest of the NY day was very slow, the metal quietly trading sideways between \$1297-1299.50 into the close (+0.5% for the week).
- Silver, which had been very robust over the week, dipped to the lows during the early European session Friday, although managed to push back into the \$16.80's during NY and close at \$16.75 (+2.3% for the week). Palladium also remained strong into the end of the week and managed to close above \$1000 at \$1015 (+1.3% for the week).

PRE-ASIA COMMENTS

- Expect another slow day in Asia today, ahead of what will be a big week in terms of data/news.
- Gold in Asia has opened more or less in the middle of last weeks tight range and some light buying early on has inched us higher to just above \$1300.
- Turnover through GLOBEX this morning has so far been very subdued.
- Markets will be eyeing-off tomorrow's meeting between U.S President Donald Trump and North Korean leader Kim Jong Un in Singapore for any political / military outcomes.
- on the data Calendar today:
 - Japanese Machine Orders
 - Italian Industrial Production
 - UK Trade Balance / Industrial Production / Manufacturing Production

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