



MKS PAMP GROUP
Europe / US Market Update
14th March 2018

Range Europe / US Markets
(from Globex open)

| 13-Mar-18 | GOLD | | SILVER | | PLATINUM | | PALLADIUM | |
|-----------------|-------------|---------|-------------|---------|-------------|--------|-------------|---------|
| | Bid | Offer | Bid | Offer | Bid | Offer | Bid | Offer |
| OPEN | 1319.70 | 1320.20 | 16.4800 | 16.5100 | 961.30 | 964.30 | 976.40 | 981.40 |
| HIGH | 1327.90 | 1328.40 | 16.665 | 16.695 | 970.40 | 973.40 | 996.35 | 1001.35 |
| LOW | 1314.00 | 1314.50 | 16.4400 | 16.4700 | 959.40 | 962.40 | 974.05 | 979.05 |
| CLOSE | 1325.90 | 1326.40 | 16.5800 | 16.6100 | 964.60 | 967.60 | 990.00 | 995.00 |
| EFP | 0.20 | 0.70 | -0.0050 | 0.0250 | -0.50 | 2.50 | -8.00 | -3.00 |
| LBMA Prices | AM | PM | 16.51 | | AM | PM | AM | PM |
| | 1318.70 | 1322.75 | | | 961.00 | 967.00 | 981.00 | 993.00 |
| Active Contract | GCJ8 Comdty | | SIK8 Comdty | | PLJ8 Comdty | | PAM8 Comdty | |

MACRO

- US President Donald Trump fired Secretary of State Rex Tillerson, he will be replaced by CIA Director Mike Pompeo.
- US equities were lower despite an early rally on the CPI release.
- The Dow lost 171.58 points to 25,007.03, the S&P fell 17.71 points to 2,765.31, while the Nasdaq sold off 77.31 points to 7,511.01.
- There were wins for REITs (+0.26%) and utilities (+0.21%), outweighed by losses in tech (-1.21%), financials (-1.09%) and energy (-0.72%).
- The VIX gauge added 4.31% to 16.46.
- The US dollar index lost 0.17% to 89.743 and the EUR traded up to 1.2403.
- USD/JPY traded down to 106.45 despite trading as high as 107.24 earlier in the day.
- US treasury yields were lower, 2 year yields fell 0.81 bps to 2.2539% while 10 year yields eased 2.37 bps to 2.8444%.
- European shares were lower, the EuroSTOXX 600 declined 0.98%, the German DAX retreated 1.59%, while the UK FTSE gave up 1.05%.
- Oil prices were lower, Brent fell 0.63% to \$64.54 and WTI lost 1.17% to \$60.64.
- Base metals were broadly lower, with aluminium (-1.37%) leading the losses.
- US CPI rose 0.2% in Feb in line with expectations, core CPI also rose 0.2%.
- The NFIB small business index rose 0.7 points to 107.6 in Feb.

PRECIOUS

- Gold remains within the recent range despite volatility in NY trading.
- Gold opened at \$1322 in Asia and, after an early bump higher, drifted lower as the day progressed.
- The SGE premium remained around \$8 but did not spark enough buying action to support the market in the face of a sharply rising USD/JPY.
- The market consolidated around \$1317-18 during the London AM session.



- The action started as soon as CPI was released, gold initially dropped to the days low, then spiked \$11 as the dollar was sold off.
- We saw another dip below \$1320 before a recovery to the days high at \$1327.
- The yellow metal finishing the day just off the highs at \$1326.
- Silver's chart looked very similar, the grey metal printing a high of \$16.62.
- Palladium was the stand-out, climbing over 2% to a high of \$995.
- The Philadelphia gold and silver index edged up 0.04%.

PRE-ASIA COMMENTS

- Asian markets open lower on Wall St's lead.
- Gold flat in early Asian trading.
- Ahead today:
US Retail Sales
US PPI
US Business Inventories
EU Employment Change
EU Industrial Production
Germany Inflation

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