



MKS PAMP GROUP

Europe / US Market Update

15th January 2018

Range Europe / US Markets
(from Globex open)

| 12-Jan-18 | GOLD | | SILVER | | PLATINUM | | PALLADIUM | |
|-----------------|-------------|---------|-------------|---------|-------------|---------|-------------|---------|
| | Bid | Offer | Bid | Offer | Bid | Offer | Bid | Offer |
| OPEN | 1328.25 | 1328.75 | 17.0950 | 17.1250 | 988.60 | 991.60 | 1087.95 | 1091.95 |
| HIGH | 1339.15 | 1339.65 | 17.270 | 17.300 | 998.70 | 1001.70 | 1128.30 | 1132.30 |
| LOW | 1321.15 | 1321.65 | 16.9900 | 17.0200 | 987.50 | 990.50 | 1084.50 | 1088.50 |
| CLOSE | 1338.25 | 1338.75 | 17.2400 | 17.2700 | 993.00 | 996.00 | 1122.95 | 1126.95 |
| EFP | 0.15 | 0.65 | 0.0000 | 0.0300 | 2.50 | 5.50 | -8.00 | -4.00 |
| LBMA Prices | AM | PM | 17.12 | | AM | PM | AM | PM |
| | 1332.90 | 1326.80 | | | 995.00 | 991.00 | 1086.00 | 1098.00 |
| Active Contract | GCG8 Comdty | | SIH8 Comdty | | PLJ8 Comdty | | PAH8 Comdty | |

MACRO

- US equities continued to push higher on Friday.
- The Dow added 228.46 points to 25,803.19, the S&P 500 rose 18.68 points to 2,786.24, while the Nasdaq gained 49.285 points to 7,261.062.
- There were wins for consumer discretionary (1.28%), energy (+0.96%) and financials (+0.94%) while REITs (-0.73%) led the laggards.
- The VIX gauge added 2.83% to 10.16.
- The US dollar index dropped 1.13% to 90.62, the EUR traded up to 1.2203 while USD/JPY was as low as 110.99.
- US treasury yields were lower, 10 year yields eased 0.2 bps to 2.549%.
- European shares were higher, the EuroSTOXX 600 tacked on 0.31%, the German DAX advanced 0.32%, while the UK FTSE rose 0.20%.
- Oil prices were higher with WTI firming to \$64.28 and Brent rising to \$69.76.
- Base metals were mixed, with aluminium (+1.75%) the biggest mover.
- In US economic data, CPI rose 0.1% in December, moving in line with economist forecasts.
- Core CPI rose 0.3% in Dec following a 0.1% increase in Nov.
- Retail sales rose 0.4% in December from a revised 0.9% increase in Nov, retail sales ex-autos also rose 0.4%.

PRECIOUS

- Big session for the precious as USD weakness continues.
- Gold opened at \$1321 and surged to \$1330 during Asian hours.
- The SGE premium was steady around \$7-8 over loco London.
- London bought the metal up to \$1332 as EUR/USD moved above 1.21.
- There was a dip to \$1325 on the better-than-expected core CPI figure out of the US, however the rebound was strong.
- Continued weakness in the greenback saw the yellow metal surge to a 4 month high \$1339.
- Silver surged 1.7% to a high of \$17.27.
- Palladium climbed over 3% to a record high \$1128.
- The Philadelphia gold and silver index added 2.37%.



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PRE-ASIA COMMENTS

- Asian markets open higher on Wall St's strong lead.
 - Gold flat in early Asian trade.
 - Ahead today:
- No significant data releases

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