



MKS PAMP GROUP
Europe / US Market Update
16th August 2018

Range Europe / US Markets
(from Globex open)

15-Aug-18	GOLD		SILVER		PLATINUM		PALLADIUM	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
OPEN	1187.30	1187.80	14.9400	14.9700	787.80	790.80	890.00	895.00
HIGH	1189.00	1189.50	14.945	14.975	789.90	792.90	893.00	898.00
LOW	1173.10	1173.60	14.3400	14.3700	754.10	757.10	829.40	834.40
CLOSE	1175.70	1176.20	14.4450	14.4750	767.00	770.00	837.30	842.30
EFP	6.60	7.10	-0.0250	0.0050	-0.50	2.50	-11.00	-6.00
LBMA Prices	AM	PM	14.83		AM	PM	AM	PM
	1186.70	1182.00			788.00	775.00	890.00	849.00
Active Contract	GCZ8 Comdty		SIU8 Comdty		PLV8 Comdty		PAU8 Comdty	

MACRO

- US equities finished lower as the fallout from Turkey's currency crisis continues.
- The Dow lost 137.51 points to 25,162.41, the S&P 500 fell 21.59 points to 2,818.37, while the Nasdaq sold off 96.78 points to 7,774.12.
- There were wins for REITs (+0.84%) and utilities (+0.76%) while energy (-3.51%) and materials (-1.55%) led the laggards.
- The VIX gauge rose 9.99% to 14.64.
- The US dollar index crept up 0.02% to 96.71, the EUR tested 1.13 before recovering to 1.1352, USD/JPY traded down to 110.43.
- US treasury yields were lower, the 2 year yield eased 2.9 bps to 2.608% while the 10 year yield shed 3.6 bps to 2.862%.
- European shares were lower, the EuroSTOXX dropped 1.36%, the German DAX fell 1.58%, while the UK FTSE declined 1.49%.
- Oil prices were sharply lower, Brent fell 2.39% to \$70.73 while WTI tumbled 3.19% to \$64.90.
- Base metals were hammered, with zinc (-6.28%) leading the losses.
- In US economic data, retail sales rose 0.5% in July following a 0.2% increase in June
- Retail sales ex-autos rose 0.6% in July.
- The Empire State Index rose 3 points to 25.6 in August.
- Business productivity rose to a 2.9% annualised rate in the second quarter of 2018, unit labour costs fell by 0.9%.
- Industrial production increased by 0.1% in July following a sharp 1% rise in June.
- Capacity utilisation was unchanged at 78.1% in July.
- The NAHB home builders index fell to 67 in August from 68 in July.

PRECIOUS

- More pain for the precious as gold dumps \$20 in the session.
- Gold opened at \$1193 in Asia and drifted lower to \$1186 as USD/CNH firmed.
- The SGE premium was around \$3-4 which failed to support the market.
- The market consolidated around \$1184-88 through the London AM.
- NY were early sellers as the greenback gained ground against the EUR.
- The yellow metal printed the \$1173 in late NY hours before closing at \$1174.



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- Silver plunged over 4% to record a 2.5 year low at \$14.42.
- Palladium tumbled 6% to \$843 while platinum shed 4.4% to \$763.
- The Philadelphia gold and silver index dropped 6.56%.

PRE-ASIA COMMENTS

- Gold plunges \$14 to \$1161 in early Asian trading.
- The market has recovered to \$1170 at the time of writing.
- Ahead today:
 - US Weekly Jobless Claims
 - US Housing Starts
 - US Building Permits
 - US Philly Fed Index
 - EU Balance of Trade
 - Germany Wholesale Prices
 - China FDI

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