



MKS PAMP GROUP
Europe / US Market Update
17th October 2018

Range Europe / US Markets
(from Globex open)

16-Oct-18	GOLD		SILVER		PLATINUM		PALLADIUM	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
OPEN	1227.09	1227.59	14.6943	14.7243	842.47	845.47	1085.23	1088.23
HIGH	1232.47	1232.97	14.8489	14.8789	847.07	850.07	1090.90	1093.90
LOW	1225.12	1225.62	14.6203	14.6503	839.75	842.75	1076.68	1079.68
CLOSE	1225.80	1226.30	14.6552	14.6852	841.30	844.30	1079.49	1082.49
EFP	3.30	3.40	0.0200	0.0300	2.50	3.50	-11.00	-5.00
LBMA Prices	AM 1228.85	PM 1230.70	14.755		AM 843.00	PM 842.00	AM 1085.00	PM 1084.00
Active Contract	GCZ8 Comdty		SIZ8 Comdty		PLF9 Comdty		PAZ8 Comdty	

MACRO

- US equities surged higher on positive earnings results.
- The Dow added 459.52 points to 25,798.42, the S&P 500 rose 50.22 points to 2,645.488, while the Nasdaq climbed 194.468 points to 7,645.488.
- Big wins in tech (+3.02%), healthcare (+2.90%) and communications (+2.34%) led a broad advance.
- The VIX gauge fell 16.6% to 17.76.
- The US dollar index crept up 0.03% to 95.081 despite dipping as low as 94.8 during the day.
- The EUR traded down to 1.1517 after spiking above 1.16, while USD/JPY traded up to 112.33.
- US treasury yields were lower, the 2 year yield was unchanged at 2.86% while the 10 year yield eased 1.5 bps to 3.15%.
- European shares were higher, the EuroSTOXX put on 1.58%, the German DAX gained 1.40%, while the UK FTSE added 0.43%.
- Oil prices were higher, Brent firmed 0.3% to \$81.34 while WTI was flat at \$71.90.
- Base metals were mixed, with copper (-1.4%) the big mover.
- In US economic data, industrial production rose 0.3% in September after a 0.4% increase in August.
- Capacity utilization was steady at 78.1% in September.
- Job openings rose slightly to 7.14M in August.
- The NAHB home builders index rose to 68 in October from 67 in September.

PRECIOUS

- The precious gives back early gains as US equities surge.
- Gold traded \$1225-29 through Asian hours.
- The SGE premium was at \$5-6, we saw selling but the market is still well supported at \$1225.
- London took the market back above the 100 DMA to \$1230 as the GBP firmed against the dollar.
- The yellow metal reached the session high \$1231 in early NY trading.



- It was all downhill from here as the surge in US equities saw gold sell off \$7 to finish lower at \$1224.
- Silver spiked to the day's high \$14.83 before the sell-off
- The Philadelphia gold and silver index lost 0.77%.
- The SPDR Gold Trust holdings were unchanged at 748.76mt.

PRE-ASIA COMMENTS

- Asian markets open higher after Wall St's big day.
- Gold is flat in early Asian trading.
- Ahead today:
 - US Housing Starts
 - US Building Permits
 - US FOMC Minutes.
 - EU Inflation Rate
 - EU Construction Output

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