



MKS PAMP GROUP
Europe / US Market Update
18th October 2018

Range Europe / US Markets
(from Globex open)

17-Oct-18	GOLD		SILVER		PLATINUM		PALLADIUM	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
OPEN	1224.95	1225.45	14.6635	14.6935	841.45	844.45	1080.34	1083.34
HIGH	1229.57	1230.07	14.7290	14.7590	842.80	845.80	1084.83	1087.83
LOW	1220.67	1221.17	14.5999	14.6299	828.50	831.50	1069.00	1072.00
CLOSE	1223.09	1223.59	14.6199	14.6499	828.50	831.50	1069.00	1072.00
EFP	3.15	3.25	0.0250	0.0350	2.50	3.50	-11.00	-5.00
LBMA Prices	AM	PM			AM	PM	AM	PM
	1226.75	1229.05	14.650		840.00	838.00	1083.00	1080.00
Active Contract	GCZ8 Comdty		SIZ8 Comdty		PLF9 Comdty		PAZ8 Comdty	

MACRO

- Minutes from the September FOM meeting suggest a continued tightening of monetary policy.
- US equities were lower as investors digest the Fed's comments.
- The Dow lost 91.74 points to 25,706.68, the S&P 500 edged lower 0.71 points to 2,809.21, while the Nasdaq slipped 2.79 points to 7,642.70.
- The VIX gauge lost 1.25% to 17.40.
- The US dollar index rose 0.57% to 95.640, the EUR traded down to 1.1495, while USD/JPY traded up to 112.66.
- US treasury yields were higher, the 2 year yield firmed 1.7 bps to 2.89% while the 10 year yield added 2.1 bps to 3.19%.
- European shares were lower, the EuroSTOXX fell 0.40%, the German DAX shed 0.52%, while the UK FTSE inched lower 0.07%.
- Oil prices were lower, Brent eased 1.5% to \$80.21 while WTI sold off 2.8% to \$70.01.
- Base metals were mixed, with zinc (+2.3%) the big mover.
- In US economic data, housing starts fell 5.3% to a seasonally adjusted 1.201M annual rate in September.
- Building permits fell to a 1.241M annual rate in September.

PRECIOUS

- Gold opened at \$1223 and traded up to \$1225 early in Asian hours.
- The SGE premium started around \$6-7 and eased through the day.
- The metal was sold to the session low \$1220 in late Asian trading.
- There was a gap up to \$1225 then to \$1227 during the London AM session.
- The market traded between \$1225-28 for the next few hours.
- The day's high of \$1229 was printed in early NY hours.
- Gold was sold off ahead of the FOMC release as the USD was broadly bid.
- The yellow metal finished the session lower at \$1222.
- Silver was range-bound before closing behind at \$14.61.
- PGMs were lower with platinum and palladium finishing at \$828 and \$1069 respectively.
- The Philadelphia gold and silver index lost 0.35%.
- The SPDR Gold Trust holdings were unchanged at 748.76mt.



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PRE-ASIA COMMENTS

- Gold flat in early Asian trading.
- Ahead today:
 - US Weekly Jobless Claims
 - US Philly Fed manufacturing
 - US Leading economic indicators

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