



## MKS PAMP GROUP

### Europe / US Market Update

#### 18<sup>th</sup> September 2018

Range Europe / US Markets  
(from Globex open)

17-Sep-2018	GOLD		SILVER		PLATINUM		PALLADIUM	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
OPEN	1194.20	1194.70	14.070	14.090	792.30	794.30	979.20	984.20
HIGH	1204.50	1205.00	14.240	14.260	806.00	808.00	983.00	988.00
LOW	1194.20	1194.70	14.070	14.090	792.00	794.00	975.00	980.00
CLOSE	1199.75	1200.25	14.160	14.180	798.50	800.50	983.00	988.00
EFP	4.60	4.80	0.0200	0.0300	-0.50	0.50	-15.00	-9.00
LBMA Prices	AM	PM	14.170		AM	PM	AM	PM
	1196.80	1201.90			795.00	801.00	980.00	982.00
Active Contract	GCZ8 Comdty		SIZ8 Comdty		PLV8 Comdty		PAZ8 Comdty	

#### MACRO

- US President Trump announced after market closing that he will impose tariffs on \$200bln worth of Chinese imports.
- The tariff will start at 10% and increase to 25% by the end of 2018.
- US equities were lower on earlier rumours that a tariff announcement was imminent.
- The Dow lost 92.55 points to 26,062.12, the S&P 500 fell 16.18 points to 2,904.98, while the Nasdaq dumped 114.252 points to 7,895.792.
- REITs (+0.49%) led the gains while tech (-1.39%) and consumer discretionary (-1.27) weighed heavy on the markets.
- The VIX gauge rose 13.3% to 13.7.
- The US dollar index fell 0.46% to 94.513, the EUR traded up to 1.1694, while USD/JPY traded down to 111.78.
- US treasury yields were mostly flat, the 2 year yield was unchanged at 2.78% while the 10 year yield eased 0.4 bps to 2.99%.
- European shares were mixed, the EuroSTOXX added 0.46%, the German DAX sold off 0.23%, while the UK FTSE edged lower 0.03%.
- Oil prices were lower, Brent slipped 0.1% to \$77.90 while WTI shed 0.3% to \$68.74.
- Base metals were broadly lower, with nickel (-3.3%) leading the losses.
- In US economic data, the Empire State Index fell to 19 in September from 25.6 in August.

#### PRECIOUS

- Gold opened at \$1192 in Asia and traded up to \$1195 through the day.
- The SGE premium was firmer at \$6-7 and we saw modest buying out of China.
- The mild bid tone continued through most the London AM session.
- The market pulled back to \$1196 just ahead of the NY open.
- NY came in on the bid and traded the market up to the session high \$1204 as the USD was sold off.
- Selling at these levels saw the yellow metal pull back to \$1200 at the close.



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- Silver closed higher at \$14.15 but remains within the recent range.
- PGMs found support, with platinum and palladium finishing at \$796 and \$984 respectively.
- The Philadelphia gold and silver index added 2.51%.
- SPDR Gold Trust holdings were unchanged at 742.53mt.

#### **PRE-ASIA COMMENTS**

- Gold dipped below \$1200 on the US-China tariff announcement.
- Ahead today:
- US Home Builders Index
- AU House Price Index

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