



MKS PAMP GROUP

Europe / US Market Update

22nd June 2018

Range Europe / US Markets

21-Jun-18	GOLD		SILVER		PLATINUM		PALLADIUM	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
OPEN	1267.86	1268.36	16.2835	16.3135	870.32	873.32	965.68	968.68
HIGH	1270.17	1270.67	16.3627	16.3927	872.27	875.27	969.12	972.12
LOW	1261.50	1262.00	16.1969	16.2269	861.50	864.50	950.70	953.70
CLOSE	1267.39	1267.89	16.3110	16.3410	863.73	866.73	952.22	955.22
EFP	1.80	1.90	-0.0100	0.0000	-0.50	0.50	-10.00	-5.00
LBMA Prices	AM	PM	16.245		AM	PM	AM	PM
	1263.70	1266.15			864.00	866.00	962.00	962.00
Active Contract	GCQ8 Comdty		SIN8 Comdty		PLN8 Comdty		PAU8 Comdty	

MACRO

- Initial jobless claims in the U.S. eased 3,000 to 218,000 during the week ended June 16 (exp: 220,000). The four-week moving average declined 4,000 to 221,000, while continuing claims increased 22,000 to 1.723 million during the week ended June 9.
- The conference board's leading index increased +0.2% during May (exp: +0.4%) to follow a +0.4% increase the week prior.
- The Philadelphia Fed business outlook slowed dramatically during June, falling to 19.9 (exp: 29.0) from 34.4 previously. The new orders index weighed upon the headline print to fall nearly 23 points to 17.9, while expectations were also softer.
- U.S. stocks were sold on Thursday to see the DJIA extend its losing streak to eight consecutive sessions as 'trade war' concerns weighed upon investor appetite.
- The DJIA sunk -0.8% to 24,461.70 points, taking the bourse underneath its 50 DMA and matching the longest losing streak since March 2017. Weakness across energy stock (-1.93%) led eight of 11 components lower to see the S&P 500 -0.63% to 2,749.76 points, while the Nasdaq Composite reversed -0.88% to 7,712.952 points, the largest single-session fall since April 24.
- The greenback traded lower on Thursday (DXY -0.27%), notably losing ground against the British pound after the BOE surprised to the hawkish side. The pound surged through 1.3200 on the way to a +0.6% gain, while the safe-have yen added +0.33% against the buck.



- European equities tracked lower on Thursday following reports two euroskeptic law-makers in Italy had been named head of the Senate's finance committee and President of the House's budget and finance committee. The Stoxx Europe 600 declined -0.90% to 380.85 points, while automakers in Germany led the DAX -1.44% lower on concerns over import duties on cars built in the U.S.
- In the U.K. the FTSE 100 collapsed -0.93% to 7,556.44 points on the back of a stronger pound and declines to oil companies.

PRECIOUS

- Gold tested fresh lows on Thursday on the back of a stronger greenback, however saw respite late in trade following the BOE driven sterling strength.
- Seller in Asia saw the yellow metal quickly underneath the recent USD \$1,267 support level, with USD/CNH notably turning higher.
- The metal test toward USD \$1,262 leading into the European session, however finds some respite in London, before briefly testing to a fresh low of USD \$1,261.50 into New York.
- Gains to both the pound and the euro underpinned a recovery in New York to see gold end the session relatively unchanged at USD \$1,267.
- Silver tested the long-dated trend-line support underneath USD \$16.20 in late Asia, however was able to recover to close back above USD \$16.30
- Platinum sunk around -1% in Asia, however saw little interest in Europe or the U.S. to hold the USD \$960 support
- Palladium was well offered in New York to end -1.4% lower and test support at USD \$950

PRE-ASIA COMMENTS

- Large option open interest (July) at USD \$1,260 should keep bullion supported around the figure, while a move below this would open up USD \$1,250 and the Dec 2017 low of USD \$1,236.
- Persistent dollar strength should continue to weigh upon bullion, while heavy price action is expected on any moves toward USD \$1,275.

Data today includes;

Markit manufacturing / services / composite PMI from France, Germany, Eurozone and the U.S.
Canadian CPI

Although the information in this report has been obtained from and is based upon sources MKS believes to be reliable, we do not guarantee its accuracy and it may be incomplete or condensed. All opinions and estimates constitute MKS' judgment as of the date of this report and are subject to change without notice. This report is for informational purposes only and is not intended as investment advice, offer or solicitation for the purchase or sale of an investment. This report does not consider or take into account the investment objectives or financial situation of a particular party.