



MKS PAMP GROUP

Europe / US Market Update

24th September 2018

Range Europe / US Markets
(from Globex open)

21-Sep-2018	GOLD		SILVER		PLATINUM		PALLADIUM	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
OPEN	1208.85	1209.35	14.380	14.400	834.50	836.50	1047.10	1052.10
HIGH	1210.70	1211.20	14.420	14.440	837.50	839.50	1054.00	1059.00
LOW	1191.95	1192.45	14.150	14.170	822.00	824.00	1037.00	1042.00
CLOSE	1198.95	1199.45	14.290	14.310	827.60	829.60	1051.20	1056.20
EFP	4.20	4.40	0.0200	0.0300	-0.50	0.50	-14.00	-7.00
LBMA Prices	AM	PM	14.330		AM	PM	AM	PM
	1207.60	1198.70			838.00	829.00	1056.00	1045.00
Active Contract	GC28 Comdty		SI28 Comdty		PLV8 Comdty		PAZ8 Comdty	

MARKETS/MACRO

- The Markit U.S. services PMI print for September (provisional) indicated a softening across the services sector, sliding to 52.9 (exp: 55.0) from 54.8 previously. The print was the weakest since March 2017.
- The Markit U.S. manufacturing PMI print for September showed an improvement in business conditions, increasing to 55.6 (prev: 55.0) from 54.7 in August. The print was the highest reading since May and saw support from strong growth across output and new orders.
- Equities in the U.S. closed mixed on Friday, however the DJIA was able to print a second consecutive all-time high, gaining +0.32% to 26,743.50 points. The S&P 500 eased just -0.04% to 2,929.67 points on the back of heavy trade across technology (-0.34%) and financials (-0.37%), while the Nasdaq slumped -0.51% to 7,986.96 points.
- The greenback had a positive session on Friday to claw back some of the recent weakness, notably gaining ground against the pound following comments from British Prime Minister Theresa May warning Brexit talks had stalled. The DXY added +0.33%
- Oil futures saw volatile trade on Friday, however ultimately ended higher ahead of the weekend meeting of major oil producers in Algiers. WTI ended +0.82% higher just underneath USD \$71 per barrel, while Brent crude tacked on +0.1% to USD \$78.80 per barrel.
- Equities in Europe posted strong gains on Friday, with financial and mining stocks supporting the broader market higher. The Stoxx Europe 600 added +0.43% to 384.29 points to book a sixth consecutive session gain, while the German Dax jumped +0.85% to 12,430.88 points.
- In the U.K. the FTSE 100 surged +1.67% to 7,490.23 points as the pound turned sharply offered following Brexit headlines.

PRECIOUS

- A disappointing session for bullion on Friday, breaking sharply underneath USD \$1,200 and failing to recapture the figure into the close.
- A stronger greenback and a fresh record for the DJIA weighed upon the yellow metal in Europe / New York, reversing an otherwise robust Asian session that saw the metal to a USD \$1,210.70 high.
- The metal initially tests toward USD \$1,200 in Europe on the back of euro and pound weakness, while sharply moving through the figure in early New York (10,000 lots through Comex in one minute) to a USD \$1,192.45 low.



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- Interest broadly around USD \$1,192 - \$1,194 restricts any further declines and the metal ends just underneath USD \$1,200 to book a -0.7% fall.
- Silver briefly tests below USD \$14.20 in New York, however sharply reverses the majority of the declines to limit the loss to just -0.15%
- Platinum was dragged lower with the remainder of the precious to decline -0.88%
- Palladium remain buoyant to outperform and end flat on the session.

PRE-ASIA COMMENTS

- Early session dollar strength has kept bullion price action heavy following an escalation of tensions between the U.S. and China on the weekend.
- Expect support around USD \$1,192 - \$1,194 and resistance through USD \$1,200.
- Holidays in Japan and China should see muted price action in Asia.
- Ahead on the data calendar today
 - Germany IFO survey results
 - U.S. Chicago Fed activity index
 - Dallas Fed manufacturing activity

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