



MKS PAMP GROUP

Europe / US Market Update

27th August 2018

Range Europe / US Markets
(from Globex open)

| 24-Aug-2018 | GOLD | | SILVER | | PLATINUM | | PALLADIUM | |
|-----------------|-------------|---------|-------------|---------|-------------|--------|-------------|--------|
| | Bid | Offer | Bid | Offer | Bid | Offer | Bid | Offer |
| OPEN | 1188.25 | 1188.75 | 14.5600 | 14.5900 | 781.00 | 784.00 | 920.00 | 923.00 |
| HIGH | 1208.25 | 1208.75 | 14.8600 | 14.8900 | 793.00 | 796.00 | 940.00 | 943.00 |
| LOW | 1187.50 | 1188.00 | 14.5500 | 14.5800 | 780.00 | 783.00 | 918.00 | 921.00 |
| CLOSE | 1205.75 | 1206.25 | 14.80 | 14.83 | 789.00 | 792.00 | 932.00 | 935.00 |
| EFP | 6.30 | 6.40 | -0.0300 | -0.0200 | -0.50 | 0.50 | -15.00 | -5.00 |
| LBMA Prices | AM | PM | 14.6200 | | AM | PM | AM | PM |
| | 1189.95 | 1197.70 | | | 784.00 | 786.00 | 923.00 | 932.00 |
| Active Contract | GCZ8 Comdty | | SIU8 Comdty | | PLV8 Comdty | | PAU8 Comdty | |

MACRO

- US Fed Chairman Powell spoke at the Jackson Hole symposium on Friday.
- In a mildly dovish speech, the Chairman said he supported a gradual path of interest rate hikes.
- US equities were higher on Friday, with both the Nasdaq and S&P closing at records.
- The Dow added 133.37 points to 25,790.35, the S&P 500 rose 17.71 points to 2,874.69, while the Nasdaq gained 67.52 points to 7,945.98.
- Materials (+1.21%), tech (+1.10%) and energy (+0.80%) led a near broad advance in the markets.
- The VIC gauge lost 3.38% to 11.99.
- The US dollar index fell 0.54% to 95.16, the EUR traded up to 1.1633, while USD/JPY was as low as 111.10.
- US treasury yields were mixed, the 2 year yield added 0.4 bps to 2.620% while the 10 year yield slipped 1.6 bps to 2.810%.
- European shares were higher, the EuroSTOXX crept up 0.05%, the German DAX put on 0.23%, while the UK FTSE advanced 0.19%.
- Oil prices were higher, Brent firmed 1.46% to \$75.82 while WTI tacked on 1.31% to \$68.72.
- Base metals were broadly higher, with copper (+1.98%) leading the way higher.
- In US economic data, durable goods orders fell 1.7% in July following a 0.7% rise in June.
- Core capital goods orders rose 1.4% after a 0.6% increase in June.

PRECIOUS

- Big session for the precious as gold surges to a close above \$1200.
- Gold opened at \$1185 in Asia and dipped to the low of \$1183 before finding a bid.
- The metal started a slow grind higher with the SGE premium at \$6-7.
- London bought the market from \$1188 up to \$1192 during the AM session.
- NY opened on the bid and took the metal to \$1196 ahead of the Fed Chair's address.
- The yellow metal shot up \$12 as Powell's slightly dovish speech put USD under pressure.
- Gold posted a 2 week high of \$1208 and closed near the peak at \$1205.
- Silver surged 2.4% to a high of \$14.84.
- The PGMs made a move higher, with platinum and palladium closing at \$790 and \$936 respectively.



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- The Philadelphia gold and silver index added 3.65%.
- The SPDR Gold Trust sold off 0.35% to 764.58mt.

PRE-ASIA COMMENTS

- Gold flat in early Asian trading.
- Asian markets open higher on Wall St's lead.
- Ahead today:
 - US Chicago National Activity Index
 - Germany Ifo Business Climate
 - Germany Ifo Current Conditions
 - China Industrial Profits

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