



MKS PAMP GROUP
Europe / US Market Update
28th November 2018

Range Europe / US Markets
(from Globex open)

27-Nov-18	GOLD		SILVER		PLATINUM		PALLADIUM	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
OPEN	1221.95	1222.45	14.2150	14.2450	841.50	844.50	1144.60	1149.60
HIGH	1224.95	1225.45	14.290	14.320	844.20	847.20	1153.40	1158.40
LOW	1211.55	1212.05	14.0750	14.1050	828.00	831.00	1134.60	1139.60
CLOSE	1212.85	1213.35	14.1150	14.1450	831.10	834.10	1150.20	1155.20
EFP	-0.45	0.05	-0.0550	-0.0250	1.50	4.50	-26.00	-21.00
LBMA Prices	AM	PM	14.28		AM	PM	AM	PM
	1225.05	1221.20			841.00	843.00	1142.00	1143.00
Active Contract	GCZ8 Comdty		SIZ8 Comdty		PLF9 Comdty		PAZ8 Comdty	

MACRO

- Positive global momentum lost some steam overnight, dented by a Wall Street Journal trade report suggesting Trump was weighing up further China tariffs.
- US Equities managed to edge higher on the day - Dow Jones Industrial Average +108.49 (+0.44%) to 24,748.73, S&P500 +8.72 (+0.33%) to 2,682.17 and the NASDAQ Composite +0.847 (+0.01%) to 7,082.699.
- European stocks closed softer on the day - EuroFirst 300 -3.1 (-0.22%) to 1,407.99, EuroStoxx 600 -0.93 (-0.26%) to 357.40, DAX -45.61 (-0.40%) to 11,309.11 and FTSE100 -19.15 (-0.27%) to 7,016.85.
- Crude oil prices fell as investors continued to weigh up the prospect of production cuts at the upcoming OPEC meeting amid the risk off tone in markets. WTI Crude slipped -0.31% to \$51.79 a barrel.
- Bitcoin steadied its recent nose-dive gaining +0.64% on the day to \$3,702.80.
- USD firmed against the G10 with GBP leading declines down -0.8% and currently sitting at 1.2743.
- Global yields were little changed - UK 10y -2bps, Italian 10y +bps, US 10y unchanged at 3.055%.
- US consumer confidence came in bang on expectations at 135.7 (last: 137.9) with weaker expectations leading the slide after recent volatility in the stock market. Reports from Amazon, however, suggest sales during the holiday period rose to another record.
- Federal Reserve Vice Chairman Richard Clarida said the central bank's gradual approach to interest-rate hikes is appropriate as U.S. monetary policy gets closer to its optimal longer-run setting. "As the economy has moved to a neighborhood consistent with the Fed's dual-mandate objectives, risks have become more symmetric and less skewed to the downside than when the current rate cycle began three years ago."

PRECIOUS

- The precious complex fell overnight during the NY session on the back of a stronger USD after an initial lift during Asia/Europe.
- In Asia it was a relatively quiet session, with gold hovering between \$1220-1222 with light demand seen from both Chinese and Indian participants. The metal was sold off below the weekly lows during European hours although did not run-away, in fact managing to recover to the days highs. The US session kicked off with the Fed's Clarida supporting a gradual approach to rate hikes and gold shot



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immediately lower. Stops were tripped through \$1215-1216 area and we traded as low \$1212.05, despite there being good bids from option gamma on the way down.

- Platinum was hit the hardest in the complex following headlines that Trump may introduce a car tariff post G20. Pt fell \$10-15 immediately after the headline surfaced after being reasonably well bid throughout the day.
- Palladium remains fairly steady, with underlying tightness and limited supply supporting.

PRE-ASIA COMMENTS

- Expect to see some limited buying from Asian participants today on the overnight dip.
- USDCNH marginally higher from where we were trading yesterday.
- Flows through Comex so far - GCZ8 - very limited.
- On the data calendar today - US wholesale inventories, GDP, mortgage applications, new home sales and Richmond Fed Manufacturing Index. Not much from Europe and very little of note from Asia.

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