



MKS PAMP GROUP

Europe / US Market Update

28th September 2018

Range Europe / US Markets
(from Globex open)

27-Sep-2018	GOLD		SILVER		PLATINUM		PALLADIUM	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
OPEN	1196.85	1197.35	14.410	14.430	824.90	826.90	1065.60	1070.60
HIGH	1198.10	1198.60	14.440	14.460	832.00	834.00	1081.00	1086.00
LOW	1181.90	1182.40	14.180	14.200	807.00	809.00	1061.00	1066.00
CLOSE	1184.05	1184.55	14.260	14.280	810.20	812.20	1081.00	1086.00
EFP	3.50	3.70	0.0200	0.0300	2.00	3.00	-14.00	-7.00
LBMA Prices	AM	PM	14.420		AM	PM	AM	PM
	1196.00	1185.40			829.00	812.00	1075.00	1067.00
Active Contract	GCZ8 Comdty		SIZ8 Comdty		PLF9 Comdty		PAZ8 Comdty	

MACRO

- US equities were higher on solid economic data.
- The Dow added 54.65 points to 26,439.93, the S&P 500 rose 8.03 points to 2,914.00, while the Nasdaq gained 51.602 points to 8,041.969.
- There were wins for utilities (+0.96%) and communications (+0.80%) while materials (-0.97%) led the laggards.
- The VIX gauge rose 4.5% to 12.2.
- The US dollar index firmed 0.73% to 94.990, the EUR traded down to 1.1638, while USD/JPY traded up to 113.44.
- US treasury yields were higher, the 2 year yield added 1.7 bps to 2.82% while the 10 year yield gained 2.4 bps to 3.09%.
- European shares were higher, the EuroSTOXX put on 0.35%, the German DAX advanced 0.40%, while the UK FTSE rose 0.45%.
- Oil prices were higher, Brent firmed 1.5% to \$81.45 while WTI added 0.3% to \$72.29.
- Base metals were mostly lower, with nickel (-2.2%) leading the losses.
- In US economic data, Q2 GDP rose at an annualised rate of 4.2%, unrevised from the previous estimate.
- Durable goods orders rose 4.5% in August after an upwardly revised 1.2% decline in July.
- Core capital goods orders fell 0.5% in August following a 1.5% rise in July.
- Pending home sales fell 1.8% in August after a 0.8% decline in July.
- The trade deficit in goods widened to a seasonally adjusted \$75.8bln in August according to a preliminary report.
- Initial jobless claims rose 12k to 214k in the week ending Sep 22, continuing claims rose 16k to 1.66M.

PRECIOUS

- Tough night for the precious on the back of a USD rally.
- Gold opened at \$1195 and we saw a mild bid tone through early Asian hours.



- The SGE premium was \$6-7 and there was good physical demand out of China.
- The EUR fell sharply on headlines that the Italian budget would be delayed, gold retraced to the opening level.
- After an early bounce in London gold drifted lower to \$1193 as the EUR lost further ground against USD.
- Gold plunged \$10 lower after the NY open as stronger than expected durable goods orders were reported.
- There was a brief bounce before the yellow metal sold to the lows of the day at \$1181.
- The market was reasonably quiet through the PM and gold finished up near the bottom at \$1182.
- Silver was dumped in NY hours and closed near the low at \$14.20.
- Palladium continues to impress, the metal rebounded strongly after a sharp sell-off to close ahead at \$1081.
- The Philadelphia gold and silver index lost 0.65%.
- SPDR Gold Trust holdings were unchanged at 742.23mt.

PRE-ASIA COMMENTS

- Gold flat in early Asian trading.
- Asian markets open higher on the lead from Wall St.
- Ahead today:
- US Personal Income
- US Consumer Consumption
- US Core Inflation
- US Chicago PMI
- US Consumer Sentiment
- EU Inflation Data

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