



MKS PAMP GROUP
Europe / US Market Update
5th November 2018

Range Europe / US Markets
(from Globex open)

| 2-Nov-18 | GOLD | | SILVER | | PLATINUM | | PALLADIUM | |
|-----------------|-------------|---------|-------------|---------|-------------|----------|-------------|---------|
| | Bid | Offer | Bid | Offer | Bid | Offer | Bid | Offer |
| OPEN | 1231.00 | 1231.50 | 14.6700 | 14.7000 | 863.00 | 866.00 | 1100.00 | 1103.00 |
| HIGH | 1236.25 | 1236.75 | 14.900 | 14.930 | 872.00 | 87500.00 | 1123.00 | 1126.00 |
| LOW | 1229.75 | 1230.25 | 14.6700 | 14.70 | 857.00 | 860.00 | 1100.00 | 1103.00 |
| CLOSE | 1233.00 | 1233.50 | 14.7400 | 14.7700 | 867.00 | 870.00 | 1117.00 | 1120.00 |
| EFP | 1.55 | 1.65 | -0.0050 | 0.0050 | 2.00 | 3.00 | -20.00 | -13.00 |
| LBMA Prices | AM | PM | 14.82 | | AM | PM | AM | PM |
| | 1235.50 | 1232.10 | | | 865.00 | 866.00 | 1104.00 | 1104.00 |
| Active Contract | GCZ8 Comdty | | SI28 Comdty | | PLF9 Comdty | | PAZ8 Comdty | |

MACRO

- US equities were lower Friday as a huge loss for Apple dragged the tech sector down.
- The Dow lost 109.91 points to 25,270.83, the S&P 500 fell 17.31 points to 2,723.06, while the Nasdaq shed 77.07 points to 7,356.99.
- Tech (-1.89%) and REITs (-0.93%) led a near broad decline in the markets.
- The VIX gauge added 0.88% to 19.51.
- The US dollar index firmed 0.22% to 96.502, the EUR traded down to 1.1373, while USD/JPY traded up to 113.27.
- US treasury yields were higher, the 2 year yield added 3.7 bps to 2.903% while the 10 year yield slipped climbed 5.0 bps to 3.212%.
- European shares were mostly higher, the EuroSTOXX added 0.28%, the German DAX gained 0.44%, while the UK FTSE slipped 0.29%.
- Oil prices were lower, Brent sold off 0.2% to \$72.83 while WTI lost 0.8 to \$63.14.
- Base metals were higher, with copper (+3.2%) leading the gains.
- In US economic data, non-farm payrolls increased by 250k in October, ahead of the 208k prediction.
- The unemployment rate remained constant at 3.7% in October.
- Average hourly earnings increased 0.2% in October after a 0.3% increase in September.
- The US trade deficit rose 1.3% to \$54bln in September.

PRECIOUS

- Gold consolidates above \$1230 despite stronger than expected jobs data.
- Gold opened at \$1233 and tested the \$1230 through Asian hours.
- The SGE premium was around \$4 and we saw decent 2 way flows out of China.
- London squeezed the market to the \$1236 high as the EUR climbed above 1.14 vs USD.
- NY were early sellers as the greenback turned it around.



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- Choppy trading saw the metal go from \$1230 to \$1235 and back again as investors digest the NFP results.
- The yellow metal closed out the session at \$1232.
- Silver posted a month high \$14.90 but couldn't hang on to the gains.
- PGMs were well supported, with platinum and palladium rising to \$866 and 1,115 respectively.
- The Philadelphia gold and silver index was flat.
- SPDR Gold Trust holdings were down 0.23% to 759.06mt.

PRE-ASIA COMMENTS

- Asian markets open lower on Wall St's lead.
- Gold flat in early Asian trading.
- Ahead today:
 - US Markit Services PMI final
 - US ISM Non-manufacturing index

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