



MKS PAMP GROUP

Europe / US Market Update

3rd November 2017

Range Europe / US Markets
(from Globex open)

Ranges: Europe/US Markets:

2-Nov-17	GOLD		SILVER		PLATINUM		PALLADIUM	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
OPEN	1278.20	1278.70	17.1325	17.1625	931.10	934.10	1001.85	1007.85
HIGH	1283.80	1284.30	17.2275	17.2575	933.40	936.40	1005.80	1011.80
LOW	1273.10	1273.60	17.0325	17.0625	922.60	925.60	987.35	993.35
CLOSE	1276.00	1276.50	17.1075	17.1375	923.90	926.90	994.90	1000.90
FFP	0.60	1.10	-0.0125	0.0175	0.50	3.50	-8.00	-2.00
LBMA Prices	AM	PM	17.08		AM	PM	AM	PM
	1276.40	1279.20			929.00	931.00	993.00	1002.00
Active Contract	GCZ7 Comdty		SIZ7 Comdty		PLF8 Comdty		PAZ7 Comdty	

MACRO:

- US equities were mostly higher overnight with the much anticipated tax plan released by the Republicans in the US.
- The Dow Jones gained 88.06 points, the S&P500 climbed 0.49 of a point whilst the Nasdaq fell 1.59 points.
- The best performing sector were financials (+0.87%) whilst the worst were telco's, down 1.05%.
- European shares were mixed. The Euro STOXX lost 0.2%, the German Dax eased 0.2% whilst the UK FTSE rallied 0.9%.
- The VIX gauge fell 4.31% to 9.76.
- The dollar index retreated 0.14% to 94.68. The EUR/USD touched a high of 1.1688 whilst the USD/JPY traded down to 113.54.
- US treasury's were mixed. The 2 year bond was flat at 1.608% whilst the 10 year yield fell 1.1 bps to 2.347%
- Oil prices were higher. WTI rose 0.7% to \$54.65 whilst Brent gained 0.3% to \$60.72.
- Base metals were mixed. Copper rose 0.1% whilst nickel eased 1.2%.
- The CRB index eked out a 0.1% gain.
- President Trump nominated Jerome Powell to be the next Fed Reserve Chair.
- The BOE hiked rates by 25bps.
- German unemployment steady at 5.6%

PRECIOUS:

- Gold surges higher only to be met by heavy selling above 1280, which saw the metal close 1276.
- Some good buying in Asia saw gold push \$8 higher trading up to 1282.
- SGE premium was around \$7 over loco London.
- London were happy to sell into the strength pushing XAU back down to the mid 1270's.



- Some light initial supply in NY trade saw gold trade down to the lows, but a sudden plunge in the greenback saw gold catapult above 1280 up to a high 1283.80.
- XAU was unable to hold onto its gains reversing lower for the remainder of the session.
- Silver retained its bid holding above 17 for the duration of the session despite a plethora of selling seen throughout the day.
- Palladium was unable to close above 1,000, finishing the session 995.
- The Philadelphia gold and silver index rose 0.03%.
- The SPDR gold trust holdings fell 0.42% to 846.04 metric tons

PRE-ASIA COMMENTS:

- Gold trades quietly in early trade.
- Japanese holiday should keep things lacklustre.
- Asian equities open higher following Wall Street's lead.
- Ahead today:
 - China Caixin PMI
 - Canada employment rate
 - US non farm payrolls
 - US unemployment rate
 - US ISM non manufacturing/services composite

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