



**MKS PAMP GROUP**  
**Europe / US Market Update**  
**7th February 2018**

Range Europe / US Markets  
(from Globex open)

**Ranges: Europe/US Markets:**

6-Feb-2018	GOLD		SILVER		PLATINUM		PALLADIUM	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
OPEN	1343.25	1343.75	16.8200	16.8500	992.10	995.10	1013.90	1017.90
HIGH	1344.55	1345.05	16.8500	16.8800	996.90	999.90	1025.35	1029.35
LOW	1325.55	1326.05	16.5250	16.5550	982.00	985.00	1003.20	1007.20
CLOSE	1328.40	1328.90	16.5650	16.5950	988.70	991.70	1003.50	1007.50
EFP	2.60	2.70	0.0000	0.0100	3.50	4.50	-8.00	-3.00
LBMA Prices	AM	PM	16.805		AM	PM	AM	PM
	1344.65	1331.40			996.00	987.00	1029.00	1014.00
Active Contract	GCJ8 Comdty		SIH8 Comdty		PLI8 Comdty		PAH8 Comdty	

**MACRO:**

- US equities gyrated in a 1,000 point range in what was a flash back to the severe volatility we saw 10 years ago during the GFC.
- The Dow Jones ended the day a staggering 567.02 points higher, the S&P500 soared 46.20 points whilst the Nasdaq rocketed 148.36 points higher.
- The best performing sector was materials (+2.4%) whilst the worst was utilities (-1.7%)
- European equities were also hammered. The Euro STOXX fell 2.4%, the German Dax dropped 2.3% whilst the UK FTSE sank 2.6%.
- The VIX gauge tumbled 21.89% to 29.15.
- The dollar index advanced 0.03% to 89.582. The EUR traded down to 1.2318 whilst the USDJPY traded up to 109.71.
- US treasury yields were higher. The 2 year yield gained 10.7 bps to 2.083% whilst the 10 year yield advanced 8.6 bps to 2.756%.
- Oil prices were mixed. WTI was flat at \$63.36 whilst Brent rose 0.1% to \$66.87.
- Base metals were softer across the board. Nickel was the worst performer down 2.4%.
- The CRB index declined 0.5% to 194.75.
- Crypto's were higher, after trading significantly lower in Asia. Bitcoin rallied 7.3% to \$7,688 whilst Ethereum jumped 10.6% to \$785.08.
- The US trade balance came in at -\$53.1 billion which is the widest deficit since October 2008.
- Imports were up 2.5% whilst exports were up 1.8%.



**PRECIOUS:**

- Another volatile session for the precious on the back of the recovering stock market.
- Asia opened to some strong demand yesterday with the Asian stock indices all trading heavily in the red following the rout on Friday.
- Stop loss orders were triggered on the break of 1340 in gold sending the market up to 1346.
- When the S&P futures began to recover after being down as much as 3% in Asia, gold began to slide leading into London.
- A dead cat bounce late in the European session saw XAU test 1345 again but resting offers capped the market and New York were happy to sell into the strength.
- From there on the market saw wave after wave of selling with the yellow metal finishing the session on the lows.
- Silver also came under pressure trading as low as 16.55 before staging a minor recovery into the close.
- PGM's were soft, with palladium testing the psychological 1000 level.
- The Philadelphia gold and silver index fell 1.17%.

**PRE-ASIA COMMENTS:**

- Asian equities open higher following Wall Street's rebound.
- Gold trades heavily in early trade languishing in the mid 1320's.
- Ahead today:
  - German IP
  - US mortgage applications
  - US consumer credit
  - US Fed Williams speaks
  - Japan trade balance

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