



MKS PAMP
GROUP

Europe/US Market Update - 14th May 2020



Europe/US Markets (from Globex open)

| 13-May-20 | GOLD | | SILVER | | PLATINUM | | PALLADIUM | |
|-----------------|-------------|---------|-------------|---------|-------------|--------|-------------|---------|
| | Bid | Offer | Bid | Offer | Bid | Offer | Bid | Offer |
| OPEN | 1704.60 | 1705.60 | 15.5125 | 15.5325 | 768.50 | 770.50 | 1863.50 | 1893.50 |
| HIGH | 1717.50 | 1718.50 | 15.6500 | 15.6700 | 770.50 | 772.50 | 1866.00 | 1896.00 |
| LOW | 1700.30 | 1701.30 | 15.3350 | 15.3550 | 759.00 | 761.00 | 1780.00 | 1810.00 |
| CLOSE | 1714.40 | 1715.40 | 15.5325 | 15.5525 | 762.00 | 764.00 | 1826.50 | 1856.50 |
| EFP | 2.00 | 6.00 | 0.1600 | 0.2100 | 7.00 | 12.00 | -55.00 | -5.00 |
| Active Contract | GCM0 Comdty | | SIN0 Comdty | | PLN0 Comdty | | PAM0 Comdty | |

MACRO

- The US Fed poured cold water on the idea of negative rates.
- US equities were hammered overnight with the major index falling around 2%.
- The Dow fell 517 points, the S&P500 eased 50 points whilst the Nasdaq lost 140 points.
- European shares were also weaker. The Euro STOXX index eased 2.6%, the German Dax declined 2.6% whilst the UK FTSE dropped 1.5%.
- The VIX gauge advanced 6.8% to 35.
- The DXY index was slightly softer on the day, closing at 99.88.
- US treasury yields were mixed. The 2 year yield rose 0.2 bps to 0.161% whilst the 10 year yield declined 1.1 bps to 0.653%.
- Oil prices were firmer. WTI gained 0.5% to \$25.63 whilst Brent advanced 0.2% to \$29.45.
- Base metals were mixed. Aluminium rose 0.2% whilst zinc declined 1.5%.
- The CRB index fell 1.6% to 120.63.
- No major economic releases overnight.

PRECIOUS

- A firm night for the precious with gold edging up towards 1720.

- Asia trade was lifeless with XAU oscillating within a \$5 range 1700-1705.
- Some demand in Europe saw the yellow metal propel higher up to the days highs.
- After touching 1717.50, gold gapped lower down to 1703 before recovering back above 1710.
- For the remainder of the session the market between 1710-175 before a late run higher to finish on the days highs.
- Silver traded within a 30 cent range, closing towards the highs.
- The PGM's were lackluster with platinum trading sideways whilst palladium had a little more life having a \$50 range, closing the session at 1840.
- The Philadelphia gold and silver index was up 0.2% at 117.98

PRE-ASIA COMMENTS

- Gold quiet in early trade.
- Asian equities open lower following Wall Street's weak session.
- Ahead today: Australia unemployment; German inflation rate; US initial jobless claims

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