

US/European Daily Wrap

- **Stocks put in their worst drop in a month** as investor overreach for the safety of the US\$; concerns that the global recovery will lose momentum given further lockdowns to contain a delta resurgence grew and was somewhat ‘substantiated’ with the weaker than expected US retail sales.
- **Powell’s remarks** during a town hall noted that 1) the Fed “powerful tools” have limitation, 2) that Covid will likely stay “for a while,” and 3) we’re not going back to a pre-pandemic economy. Jackson Hole is next week.
- **Gold was unable to extend its gains and reclaim \$1800, even after the weaker than expected retail sales no.** The US\$ won over all safehavens flows but price action also probably hints at some short covering exhaustion, which has driven it from \$1730-1790. The return of some “macro fear” is also providing some support, especially vs other industrial metals/commodities which are testing recent lows.
- **There were some major movements in commodities**, especially the reflation and China sensitive ones. Copper was down 2.5% leading some industrial metals lower over ongoing concerns over the spread of delta in China, fueled by reports that operations at (Alashankou) port in Xinjiang was halted due to cases. Iron Ore extended its declines, now down almost 4% in 5days and lowest in more than 4 months (on expectations of lower demand from China’s steel mills).
- **Thus its little wonder PGMs recalibrated lower through support.** ZAR weakness – now retouching 15 vs the USD, provided some bearish tailwinds. **Palladium capitulated over 6% in consistent selling throughout NY hours**, from \$2600 to \$2470; that’s not unusual (its last \$200-300 intraday range was June 17th), but its disconcerting as it remains a trendless market that gets whipped around by flows that are unappreciative of natural liquidity. Platinum fell though \$1000.

METALS	GCZ1 Comdty	SIU1 Comdty	PLV1 Comdty	PAU1 Comdty	HGU1 Comdty
Active contract	Gold - GCZ1 (\$/oz)	Silver - SIU1 (\$/oz)	Platinum - PLV1 (\$/oz)	Palladium - PAU1 (\$/oz)	HG Copper (\$/lbs)
Open	\$ 1,789.10	\$ 23.84	\$ 1,021.90	\$ 2,607.50	\$ 4.33
High	\$ 1,797.60	\$ 23.96	\$ 1,028.00	\$ 2,610.50	\$ 4.34
Low	\$ 1,782.10	\$ 23.57	\$ 987.30	\$ 2,467.00	\$ 4.20
Settlement	\$ 1,787.80	\$ 23.66	\$ 993.80	\$ 2,495.60	\$ 4.21
Price range	\$ 15.50	\$ 0.39	\$ 40.70	\$ 143.50	\$ 0.14
1day net change	\$ (2.70)	\$ (0.15)	\$ (27.70)	\$ (114.00)	\$ (10.80)
1day % change	-0.2%	-0.6%	-2.7%	-4.4%	-2.5%
5 day % change	3.2%	1.1%	0.6%	-6.3%	-3.1%

MACRO	SPX	DXY	EUR	10yr yields	WTI
Last Price	4448.08	93.12	1.17	1.26	66.80
1day % change	-0.7%	0.5%	-0.6%	-0.3%	-0.7%
5 day % change	0.3%	0.1%	-0.1%	-6.5%	-2.2%

PRECIOUS FLOWS	ETF HOLDINGS & FLOWS (oz)			FUTURES HOLDINGS & FLOWS (# of contracts)		
	Lastest ETF Holdings	1day change	5day change	Aggregate Interest	Open 1 day O.I change in active	Aggregate Futures Volume
Flows (oz)						
Gold	100,357,011	85,904	(20,920)	481,640	4,770	152,159
Silver	919,089,301	546,432	1,397,127	155,906	(4,426)	51,557
Platinum	3,865,234	(881)	(36,756)	61,655	(704)	13,122
Palladium	529,743	(7,241)	(7,212)	10,666	(176)	4,257

Source: Bloomberg, CME, MKS PAMP Group

Last Updated: 4.30PM ET

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