



MKS PAMP
GROUP

Europe/US Market Update - 1st June 2020



Europe/US Markets (from Globex open)

29-May-20	GOLD		SILVER		PLATINUM		PALLADIUM	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
OPEN	1722.00	1723.00	17.4400	17.4600	841.00	843.00	1951.00	1981.00
HIGH	1736.90	1737.90	17.9000	17.9200	848.50	850.50	1969.50	1999.50
LOW	1718.10	1719.10	17.3500	17.3700	833.00	835.00	1909.50	1939.50
CLOSE	1731.70	1732.70	17.8325	17.8525	835.50	837.50	1942.00	1972.00
EFP	13.00	17.00	0.5000	0.6500	33.00	38.00	-45.00	5.00
Active Contract	GCM0 Comdty		SINO Comdty		PLNO Comdty		PAMO Comdty	

[Download Europe/US Table](#)

MACRO

- US equities were mostly higher despite a record fall in US consumer spending.
- The Dow edged lower 17.53 points to 25,38.11, the S&P 500 rose 14.58 points to 3,044.31, while the Nasdaq gained 120.88 points to 9,489.87.
- There were winds for healthcare (+1.27%) and tech (+1.18%) while financials (-1.21%) led the laggards.
- The VIX gauge fell 3.78% to 27.51.
- The US dollar index eased 0.13% to 98.34, the EUR traded up to 1.1144, while USD/JPY was at 107.89.
- US treasury yields were lower, the 2 year yield was flat at 0.160% while the 10 year yield lost 1.0 bps to 0.653%.
- European shares were lower, the EuroSTOXX lost 1.44%, the German DAX fell 1.65%, while the UK FTSE dropped 2.29%.
- Oil prices were higher, Brent put on 8.1% to \$37.84 while WTI rose 7.2% to \$35.49.
- Base metals were broadly higher, with zinc (+2.8%) leading the gains.

- In US economic data, consumer spending dropped 13.6% in April which was a record monthly fall.
- Personal incomes rose 1.5% in April, also a record, boosted by government stimulus payments.
- Core PCE inflation fell 0.4% in April and rose 1.0% over the past 12 months.
- The Chicago PMI fell to 32.3 in May.

PRECIOUS

- Strong session for the precious as safe haven demand persists.
- Investors were happy to buy the dips below \$1720 in Asia.
- The metal was well bid during the London AM session.
- After an early dip gold traded to the high of \$1737 in NY.
- Late sell off saw the yellow metal finish the session at \$1730.
- Silver rose 50c or 2.9% on the day to close at \$17.86.
- PGMs remained rangebound relative to gold/silver.
- The Philadelphia gold and silver index rose 1.41% to 120.10.

PRE-ASIA COMMENTS

- Gold and silver opened higher this morning after tensions in the US escalated over the weekend.
- Gold is at \$1736 and silver at \$18.15 as I write.
- Ahead today:
- US Markit Manufacturing PMI
- US ISM Manufacturing Index
- US Construction Spending
- EU Markit Manufacturing PMI

Although the information in this report has been obtained from and is based upon sources MKS believes to be reliable, we do not guarantee its accuracy and it may be incomplete or condensed. All opinions and estimates constitute MKS' judgment as of the date of this report and are subject to change without notice. This report is for informational purposes only and is not intended as investment advice, offer or solicitation for the purchase or sale of an investment. This report does not consider or take into account the investment objectives or financial situation of a particular party.