



MKS PAMP
GROUP

Europe/US Market Update - 1st May 2020



Europe/US Markets (from Globex open)

30-Apr-20	GOLD		SILVER		PLATINUM		PALLADIUM	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
OPEN	1715.80	1716.30	15.3800	15.4000	783.00	785.00	1970.00	2000.00
HIGH	1721.20	1721.70	15.5100	15.5300	793.00	795.00	2081.00	2111.00
LOW	1681.70	1682.20	14.6600	14.6800	761.50	763.50	1953.50	1983.50
CLOSE	1689.00	1689.50	15.0275	15.0475	782.00	784.00	1976.00	2006.00
EFP	7.00	11.00	0.0000	0.0500	25.00	30.00	-50.00	0.00
Active Contract	GCM0 Comdty		SIK0 Comdty		PLI0 Comdty		PAM0 Comdty	

MACRO

- ECB cut the lowest TLTRO rate 25 bps to -100 bps and introduced new Pandemic Emergency LTRO (PELTRO).
- US equities finished lower on the day.
- The Dow Jones fell 288 points, the S&P500 fell 27 points whilst the Nasdaq declined 25 points.
- European shares were softer. The Euro STOXX fell 2.3%, the German Dax sank 2.2% whilst the UK FTSE eased 3.5%
- The VIX gauge rose 9.3% to 34.
- US treasury yields were firmer. The 2 year yield rose 1.0 bps to 0.200% whilst the 10 year yield gained 3.6 bps 0.644%.
- Oil prices were firmer. WTI rose 10.9% to \$19.19 whilst Brent gained 3.2% to \$25.39.
- Base metals were softer with copper leading the laggards, down 1.4%.
- The CRB index rose 4.8% to 117.20
- US weekly initial claims declined for the fourth consecutive week, falling to 3.84m from

4.44m.

- US March PCE inflation fell 0.3% m/m and the headline annual rate fell back to 1.3% y/y vs 1.8%.
- US Q1 GDP contracted 3.8% q/q

PRECIOUS

- A soft day for the precious complex with gold dropping about \$40 on the day.
- Asia trade was lackluster, range bound between 1710-1715.
- London came in on the bid squeezing the yellow metal up to the days highs just north of 1720.
- The US were happy to sell into the strength and on the break of 1710 stop loss selling pressured the metal sub 1700 before staging a dead cat bounce up towards 1710.
- Another wave of long liquidation took XAU back under 1700 down to a low 1682 and the metal failed to recover for the remainder of the session.
- Silver was also sold aggressively dropping about 80 cents on the day, closing around the 15.00 level.
- Platinum tested the 800 level yet again but failed to push through the psychological barrier and closed the session slightly lower at 785.
- The Philadelphia gold and silver index sank 4.85% to 113.68.

PRE-ASIA COMMENTS

- Gold edged higher in early trade.
- Asian equities trade heavily following Wall Street's soft session.
- Ahead today: US Markit Manufacturing PMI final; US ISM Manufacturing

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