

Daily US/European Wrap

- **Macro risk reversed decidedly south during US market hours**, with both US equities erasing gains and, US yields – the largest macro mover today – diving as low as 1.15% (US 10yr yields). That was due to softer-than-expected U.S. manufacturing growth (following on Chinas Caixin PMI also missing expectations) supporting the thinking of an inflation-driven / growth slowdown due to persistent delta variant worries in both the US and EM
- **Fed Governor Christopher Waller – a new governor who votes – essentially has upped the importance of the upcoming jobs data this Friday and is leaning v hawkish** (although remains in the minority). He said that “If the jobs reports come in as I think they’re going to in the next two reports, then in my view with tapering we should go early and go fast, in order to make sure we’re in position to raise rates in 2022. “If we get 800,000 to 1 million jobs in next two jobs report, we will have regained 85% of jobs lost, that’s significant further progress.” “I think you could be ready to do an announcement by September”
- **Gold was only able to scalp some tailwinds from the large repricing lower in both nominal and real US yields, with a pop to the key/pivotal \$1820.** However, that was short-lived and another letdown as Treasuries continue to be the safe haven of choice amongst investors, with no overflow into Gold. The white metals remained notable contained with Silver pinned around \$25.40, Platinum erasing any gains to \$1070 and Palladium holding below \$2700.
- **Typical deflation commodities - Copper and Crude – came under heavy pressure**, as investors focus on the macro impact of delta variant on overall global demand with economic data from China signaling the slowdown over individual micro drivers (the negative impact on Copper supply due to flooding in Henan and other provinces; expected tightening crude fundamentals despite OPEC+ producers raising shipment volumes in July). Oil tumbled by the most in two weeks, with WTI hitting \$70.50 and HG Copper is hanging onto 5day low above \$4.40

METALS	GCZ1 Comdly	SIU1 Comdly	PLV1 Comdly	PAU1 Comdly	HGU1 Comdly
Active contract	Gold - GCZ1 (\$/oz)	Silver - SIU1 (\$/oz)	Platinum - PLV1 (\$/oz)	Palladium - PAU1 (\$/oz)	HG Copper (\$/lbs)
Open	\$ 1,817.00	\$ 25.63	\$ 1,047.80	\$ 2,660.00	\$ 4.49
High	\$ 1,823.20	\$ 25.68	\$ 1,065.90	\$ 2,696.50	\$ 4.53
Low	\$ 1,808.20	\$ 25.35	\$ 1,046.00	\$ 2,654.00	\$ 4.41
Settlement	\$ 1,822.20	\$ 25.58	\$ 1,056.30	\$ 2,684.10	\$ 4.43
Price range	\$ 15.00	\$ 0.33	\$ 19.90	\$ 42.50	\$ 0.12
1day net change	\$ (0.60)	\$ (0.08)	\$ 2.90	\$ 25.80	\$ (5.45)
1day % change	0.0%	-0.3%	0.3%	1.0%	-1.2%
5 day % change	0.7%	0.6%	-1.7%	0.1%	-3.4%

MACRO	SPX	DXY	EUR	10yr yields	WTI
Last Price	4387.16	92.08	1.19	1.18	71.49
1day % change	-0.2%	-0.1%	0.0%	-3.7%	-3.3%
5 day % change	-0.8%	-0.6%	0.6%	-8.7%	-0.6%

PRECIOUS FLOWS	ETF HOLDINGS & FLOWS (oz)			FUTURES HOLDINGS & FLOWS (# of contracts)		
	Lastest ETF Holdings	1day change	5day change	Aggregate Open Interest	1 day O.I change in active	Aggregate Futures Volume
Flows (oz)						
Gold	100,591,356	139,717	430,172	488,404	(8,914)	167,203
Silver	919,558,496	1,445,457	26,157	144,930	(1,988)	56,801
Platinum	3,901,003	4,991	(87,798)	61,712	1,126	10,734
Palladium	547,042	(590)	(67)	10,193	(9)	1,532

Source: Bloomberg, CME, MKS PAMP Group

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