



MKS PAMP
GROUP

Europe/US Market Update - 20th August 2019



Europe/US Markets (from Globex open)

19-Aug-19	GOLD		SILVER		PLATINUM		PALLADIUM	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
OPEN	1508.70	1509.20	17.0100	17.0300	849.50	852.50	1452.50	1455.50
HIGH	1510.10	1510.60	17.0300	17.0500	858.00	861.00	1486.00	1489.00
LOW	1493.30	1493.80	16.8550	16.8750	843.00	846.00	1449.00	1452.00
CLOSE	1496.00	1496.50	16.8775	16.8975	851.50	854.50	1480.50	1483.50
EFP	10.05	10.15	-0.0300	-0.0200	2.00	3.00	-13.00	-5.00
LBMA Prices	AM	PM	16.925		AM	PM	AM	PM
	1499.35	1496.60			844.00	845.00	1455.00	1460.00
Active Contract	GCZ9 Comdty		SIU9 Comdty		PLV9 Comdty		PAU9 Comdty	

MACRO

- U.S. Stocks rallied on Monday on the back of positive trade comments from President Trump.
- The DJIA advanced +0.96% to 26,135.79 points, the S&P 500 gained +1.21% to 2,923.65 points and the Nasdaq Composite jumped +1.35% to 8,002.813 points.
- Energy stocks (+2.14%) and technology stocks (+1.56%) led the gains to see all of the S&P 500 components finish in the green.
- Supporting stocks higher were comments from the U.S. commerce department noting that they have given Huawei another 90-day reprieve, in which it can continue to do business with American companies.
- European markets also posted firm gains overnight to see the Stoxx Europe 600 add +1.14% to 373.86 points, the German Dax added +1.32% to 11,715.37 points, while in London the FTSE 100 popped +1.14% to 7,189.65 points.
- Treasury yields in the U.S. ticked higher to see the two-year add 6bps to 1.547% and the 10-

year gained 4bps to 1.608%.

- The greenback turned higher in New York following a soft open in Asia, finding late session interest to add +0.17%. The dollar took back ground against the Japanese Yen (USD/JPY +0.22%) and managed to reverse early declines relative to the Euro (EUR/USD -0.12%). The Canadian dollar was a notable under-performer, losing -0.47% against the U.S. dollar.
- Oil futures ended higher on Monday to see WTI add +2.2% to USD \$56.20 per barrel, while Brent crude gained +1.8% to USD \$59.78 per barrel.
- Eurozone CPI for July (final) missed estimates, falling -0.5% MoM (exp: -0.4%) to see the annualised figure ease to +1.0% YoY from +1.1% previously.

PRECIOUS

- Gold saw softer pricing on Monday as global equities firmed on the back of a positive U.S. - China trade developments.
- It was generally one-way trade for bullion, testing toward USD \$1,505 during Asia hours, before breaking underneath the level and seeing further extension through the psychological USD \$1,500 heading into U.S. hours.
- Gold touched a USD \$1,493.30 low in Europe, however was able to recover in early New York back above USD \$1,500. Interest was, however short lived as a fresh wave of selling took the yellow metal back toward the low late in trade.
- ETF's and fast money looked to be the main drivers of price action, as increasingly positive trade headlines drive risk momentum and further pressure the precious complex.
- Down-side hard targets for the metal now sit around USD \$1,475 - \$1,480, with potential extension as far as USD \$1,440 - \$1,450 should this hard support be broken.
- Much like gold, silver broke below a psychological figure on Monday, sliding through USD \$17 to touch a USD \$16.87 low. Downwards pressure remains to see targets extend to USD \$16.60 - \$16.40
- Platinum held range-bound once again to hold USD \$840 - \$860. The metal should see supportive interest build as equities recover from recent weakness.
- Palladium out-performed to finish +2% higher as the EFP slides modestly to the left and auto demand picks up.

PRE-ASIA COMMENTS

- Muted pricing so far in Asia as the PBOC fixes in-line with estimates at 7.0454 and gold is unable to retake USD \$1,500.
- A light data day with only German PPI of note.

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