



MKS PAMP  
GROUP

## Europe/US Market Update - 21st May 2020



### Europe/US Markets (from Globex open)

20-May-20	GOLD		SILVER		PLATINUM		PALLADIUM	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
OPEN	1748.30	1748.80	17.5600	17.5800	839.50	842.50	2050.00	2060.00
HIGH	1754.00	1754.50	17.6250	17.6450	866.50	869.50	2116.00	2126.00
LOW	1742.50	1743.00	17.2700	17.2900	838.00	841.00	2037.00	2047.00
CLOSE	1749.10	1749.60	17.5400	17.5600	866.00	869.00	2095.50	2105.50
EFP	1.00	4.00	0.4500	0.5500	79.00	89.00	40.00	80.00
Active Contract	GCM0 Comdty		SINO Comdty		PLNO Comdty		PAMO Comdty	

### MACRO

- Another firm night for US equities with the major index's gaining between 1.5-2 %
- The Dow Jones rose 369 points, the S&P500 advanced 49 points whilst the Nasdaq rallied 191 points.
- European shares were also firmer. The Euro STOXX was 1.4% higher, the German Dax climbed 1.3% whilst the UK FTSE gained 1.1%.
- The VIX gauge retreated 8.3%.
- The DXY was lower overnight, closing the session at 99.1.
- US treasury yields were flat to lower. The 2 year yield was unchanged at 0.165% whilst the 10 year yield declined 0.2 bps to 0.688%.
- Oil prices were firmer. WTI rose 4.7% to \$33.52 whilst Brent rallied \$35.90.
- Base metals were higher with nickel leading the charge, up 1.7%.
- The CRB index advanced 1% to 130.91.

- The minutes to the April FOMC meeting remained vague about the economic outlook providing little impact to the market.
- Bank of England's Governor Bailey backtracked to leave the door open to negative policy rates meanwhile Bank of Canada's Lane said they are a bad idea.

### **PRECIOUS**

- Gold trading was a non event overnight with the market oscillating within a \$10 range for the entire day.
- Asia were light buyers with China on the bid squeezing the yellow metal north of 1750.
- Europe had very little interest ahead of the FOMC minutes.
- US opened to selling interest but resting bids around the 1745 level supported the market and the metal traded back above 1750 shortly thereafter.
- The remainder of the session was lackluster with the market trading sideways despite the release on the Fed minutes.
- Silver held onto its recent gains closing above the psychological 17.50 level.
- The PGM's showed a little more life as palladium rallied above 2100 whilst platinum continued its recent push higher touching a peak of 866.
- The Philadelphia gold and silver index declined 0.92% to 128.07.

### **PRE-ASIA COMMENTS**

- Gold trades sideways in early trade.
- Asian equities open higher following Wall Street's lead.
- Ahead today: German Markit manufacturing PMI Flash; UK Markit composite PMI Flash; US continuing jobless claims; US Markit manufacturing PMI Flash

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