



MKS PAMP  
GROUP

## Europe/US Market Update - 25th November 2019



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

22-Nov-19	GOLD		SILVER		PLATINUM		PALLADIUM	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
OPEN	1465.70	1466.20	17.0850	17.1050	906.10	908.10	1755.40	1765.40
HIGH	1472.90	1473.40	17.2300	17.2500	913.50	915.50	1770.90	1780.90
LOW	1461.10	1461.60	16.9800	17.0000	884.80	886.80	1753.80	1763.80
CLOSE	1462.50	1463.00	17.0150	17.0350	890.70	892.70	1766.80	1776.80
EFP	(0.20)	0.30	(0.0400)	(0.0200)	1.50	3.50	(35.00)	(25.00)
Active Contract	GCZ9 Comdty		SI29 Comdty		PLFO Comdty		PAZ9 Comdty	

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#### MACRO

- Financial markets were buoyed going into the weekend with Friday's data suggesting that the decline in global manufacturing may have bottomed out.
- US equity markets posted modest gains to close out the week, the S&P500 and DJIA up +0.2% and +0.4% respectively.
- In Europe, the DAX rose +0.2%, while the FTSE100 surged +1.2%.
- Bond yields remained little changed the US 10y note stable around 1.77%.
- WTI gave up some of the gains seen throughout the week and pulled back -1.4% Friday to \$57.80/bbl, with investors eyeing off the upcoming OPEC meeting, with various members suggesting deeper production cuts could be off the table.
- The preliminary read of the Markit US PMI figures indicated they rebounded by more than expected. US Manufacturing PMI rose to 52.2 in November, a seven-month high, from 51.3 in October. This is the third successive rise in the index and suggests that the slowdown in the US manufacturing sector may be bottoming out. Meanwhile, the composite and services PMI data also advanced, rising to 51.9 and 51.6 respectively.

- The preliminary read of the Markit euro area and German PMI figures depicted an economy running below trend. While manufacturing stabilised, with the euro area PMI rising to 46.6 from 45.9 in October, the index remains well below the 50 threshold with indications that the slump in manufacturing is filtering into the services sector. Germany's services index hit a new low for the current downturn and fell to 51.3 (from 51.6 in October), whilst the euro area services index fell to 50.3 (from 50.6).

### **PRECIOUS**

- The generally better economic data and more positive news surrounding trade talks saw gold suffer on Friday.
- Gold pushed higher throughout the London session pushing through \$1470, however some comments from President Trump saying that the phase one deal was nearly complete, threw cold water on the rally.
- Gold spent most of NY session clamouring lower as a result, closing just off the lows.
- Silver followed gold throughout the session, but managed to hold onto the \$17 handle once again.
- Platinum was smashed back below \$900 during NYK, while palladium managed to buck the trend and close on positive footing around \$1775

### **PRE-ASIA COMMENTS**

- Gold and silver have remained under pressure in early trade today, gold so far pushing beneath \$1460 briefly and silver trading through \$17.00 towards \$16.90. Both have bounced back off the lows but remain under pressure.
- On the data calendar today look out for:
  - German IFO
  - Canadian Wholesale Trade Sales
  - US Chicago Fed National Activity Index
  - US Dallas Fed Manufacturing Activity

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