



MKS PAMP
GROUP

Europe/US Market Update - 28th May 2020



Europe/US Markets (from Globex open)

| 27-May-20 | GOLD | | SILVER | | PLATINUM | | PALLADIUM | |
|-----------------|-------------|---------|-------------|---------|-------------|--------|-------------|---------|
| | Bid | Offer | Bid | Offer | Bid | Offer | Bid | Offer |
| OPEN | 1708.20 | 1709.20 | 17.0475 | 17.0675 | 830.00 | 832.00 | 1959.00 | 1989.00 |
| HIGH | 1714.10 | 1715.10 | 17.3400 | 17.3600 | 840.50 | 842.50 | 1991.00 | 2021.00 |
| LOW | 1695.30 | 1696.30 | 16.8550 | 16.8750 | 821.50 | 823.50 | 1894.00 | 1924.00 |
| CLOSE | 1713.20 | 1714.20 | 17.3225 | 17.3425 | 838.50 | 840.50 | 1950.00 | 1980.00 |
| EFP | -3.50 | 0.50 | 0.4500 | 0.5000 | 38.00 | 43.00 | 15.00 | 65.00 |
| Active Contract | GCM0 Comdty | | SIN0 Comdty | | PLN0 Comdty | | PAM0 Comdty | |

MACRO

- Markets were buoyed by Europe's EUR750bn stimulus proposal.
- US - China tensions remain a concern for global markets.
- US equities surged higher overnight.
- The Dow Jones gained 553 points, the S&P500 climbed 44 points whilst the Nasdaq rose 72 points.
- European shares were also higher. The Euro STOXX advanced 1.7%, the German Dax rallied 1.3% whilst the UK FTSE rose 1.3%.
- The VIX gauge eased 1.4% to 28.00.
- US treasury yields were firmer. The 2 year yield gained 1.8 bps to 0.18% whilst the 10 year yield firmed 0.8 bps to 0.693%.
- Oil prices were softer. WTI declined 5.7% to \$32.10 whilst Brent eased 5.1% to \$34.06.
- Base metals were mixed. Aluminium rose 0.4% whilst copper lead the laggards, down 1.9%.
- The CRB index declined 1.9% to 129.16.

- No major US economic releases.

PRECIOUS

- A mixed day for the precious with initial weakness being met by late demand in the session propping up the market north of 1700.
- Some early buying interest in Asia pushed the yellow metal up to the days highs above 1715.
- After the initial demand in China, the market began to retreat, easing about \$10 leading into London.
- European trade was mixed with gold trading sideways between 1705-1710.
- A stop loss run on the NY open pressured XAU sub 1700 down to low of 1696.30, but the dip didn't last long, and the market propelled back above the psychological 1700 level.
- From that point on it was one way traffic with the market managing to rally about \$20 from the lows.
- Silver also caught a bid, following the dip sub 17, squeezing up to a peak of 17.34 which is where it closed.
- PGM's managed to recover some of their recent losses, with palladium testing back up towards 2000.
- The Philadelphia gold and silver index eased 0.21% to 118.63.

PRE-ASIA COMMENTS

- Gold edges lower in early trade.
- Asian equities open higher following Wall Street's lead.
- Ahead today: German inflation rate; US durable goods; US GDP

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