



MKS PAMP
GROUP

Europe/US Market Update - 28th October 2019



Europe/US Markets (from Globex open)

25-Oct-19	GOLD		SILVER		PLATINUM		PALLADIUM	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
OPEN	1502.35	1502.85	17.82	17.84	925.00	927.00	1771.00	1776.00
HIGH	1517.50	1518.00	18.32	18.34	937.00	939.00	1779.00	1784.00
LOW	1501.50	1502.00	17.82	17.84	921.00	923.00	1760.00	1765.00
CLOSE	1504.25	1504.75	17.99	18.01	924.00	926.00	1763.00	1768.00
EFP	2.40	2.60	0.00	0.01	3.50	4.50	-26.00	-16.00
Active Contract	GCZ9 Comdty		SIZ9 Comdty		PLF0 Comdty		PAZ9 Comdty	

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MACRO

- US equities ended the session firmer on Friday on the back of renewed hopes of a trade deal between the U.S. and China.
- Stocks were buoyed by reports that U.S. Trade Representative Robert Lightizer and Treasury Secretary Steven Mnuchin spoke with Chinese Vice Premier Liu He on Friday, with the parties making progress on the first phase of a potential trade deal.
- The DJIA closed +0.57% higher at 26,958.06 points, the S&P 500 added +0.41% to 3,022.55 points and the Nasdaq Composite gained +0.70% to 8,243.119 points
- Strength across technology (+1.20%) and materials (+1.04%) underpinned gains.
- The Vix gauge sunk -7.73% to 12.65
- The greenback pushed higher on Friday (DXY +0.15%) on the back of the risk-on tone, firming against the safe-haven Japanese yen (USD/JPY +0.1%) and the euro (EUR/USD -0.21%)
- Treasury yields were firmer on Friday as investors moved into risk, seeing the two-year add 4.6bps to 1.621% and the 10-year gain 3.7bps to 1.80%.
- European stock markets were generally higher on Friday as the Stoxx Europe 600 added +0.16%

to 398.01 points and the German Dax moved +0.17% higher to 12,894.51 points.

- In London the FTSE 100 eased -0.05% to 7,324.47 points as uncertainty over Brexit/upcoming election weighs upon sentiment.
- The U.S. University of Michigan gauge of consumer sentiment (final) was revised down to 95.5 during October (prev: 96.0)

PRECIOUS

- Gold broke outside of the recent narrowing range on Friday, taking a leg higher to consolidate through the psychological USD \$1,500 figure and touch a USD \$1,517.50 session high
- Bullion finally broke out of the narrowing wedge that has been developing, however tempered gains in New York as positive trade developments saw a move into risk and bullion ease back to a closing level around \$1,504
- Price action to silver was much the same as gold, breaking through USD \$18 and extending to a USD \$18.32 session high before tempering late in trade.
- The grey metal tested back through USD \$18 following the session high, however was able to reclaim the figure into the close.
- Platinum continued to find favour through Friday's session to touch a near four-week high of USD \$937 before turning offered late in trade.
- Palladium held a relatively tight range (by palladium's standards), finishing around -0.7% lower.

PRE-ASIA COMMENTS

- Gold has held USD \$1,500 in early session trade and silver remains buoyant above USD \$18
- All eyes this week on the U.S. FOMC meeting, with a further cut expected.
- Ahead today:
- Chicago Fed Nat activity statement
- U.S. wholesale inventories
- Dallas Fed manufacturing activity

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