



MKS PAMP  
GROUP

## Europe/US Market Update - 29th October 2019



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

28-Oct-19	GOLD		SILVER		PLATINUM		PALLADIUM	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
OPEN	1505.50	1506.00	18.0600	18.0900	926.35	929.35	1776.00	1781.00
HIGH	1508.00	1508.50	18.1250	18.1550	933.25	936.25	1808.00	1813.00
LOW	1490.00	1490.50	17.7650	17.7950	912.05	915.05	1773.00	1778.00
CLOSE	1491.50	1492.00	17.8400	17.8700	917.00	920.00	1799.00	1804.00
EFP	2.40	2.50	-0.0100	0.0200	3.25	4.25	-30.00	-22.00
LBMA Prices	AM	PM	18.0550		AM	PM	AM	PM
	1505.50	1492.40			928.00	921.00	1783.00	1790.00
Active Contract	GCZ9 Comdty		SIZ9 Comdty		PLF0 Comdty		PAZ9 Comdty	

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### MACRO

- Another firm session for U.S. equities on Monday, with sentiment buoyed by further positive trade headlines and an extension to the Brexit deadline.
- President Trump said on Monday that he expected to sign a significant part of the trade deal with China ahead of schedule.
- The S&P 500 finished the session +0.56% higher at 3,039.42 points, a fresh record close for the bourse. The DJIA added +0.49% to 27,090.72 points and the Nasdaq Composite jumped +1.01% to 8,325.984 points
- Technology (+1.26%) and communications (+1.17%) led gains.
- The Vix gauge added -3.64% to 13.11
- The greenback eased modestly on Monday (DXY -0.1%) after paring early Asian gains. The dollar firmed against the safe-haven yen, however lost ground to both the euro (EUR/USD +0.18%) and the pound (GBP/USD +0.37%).

- The 10-year yield hit a six-week high and finished +4.3bps higher at 1.845%, while the two-year gained 2bps to 1.641%.
- Stocks in Europe posted gains after the EU approved a further delay to Brexit.
- The Stoxx Europe 600 finished +0.25% higher at 398.99 points, the German Dax gained +0.37% to 12,941.71 points and in London the FTSE 100 tacked on +0.09% to 7,331.28 points.
- The Chicago Fed National activity index declined to -0.45 during September (exp: flat) from a +0.15 read previously as production related indicators weakened.
- Wholesale inventories in the U.S. declined -0.3% MoM during September (exp: +0.2%) from a flat print in August.
- The Dallas Fed manufacturing activity print for October slumped to -5.1 (exp: 1.0) from 1.5 previously.

#### **PRECIOUS**

- A disappointing session for gold on Monday as the metal lost the USD \$1,500 handle on the back of positive trade rhetoric and further equity market strength.
- Pricing remained buoyant above USD \$1,500 throughout Asian/European hours, however trade comments out of the U.S. soon had the metal under pressure, triggering a stop loss run through USD \$,1500.
- The yellow metal was finally able to find supportive interest around USD \$1,490, although failed to make headway higher into the close.
- ETF holdings remain sticky and have thus far restricted further declines.
- Silver price action mirrored that of gold, slicing through the big figure pivot of USD \$18 and extending toward the recent support around USD \$17.80 -\$17.75.
- Platinum tested above USD \$930 in Early New York on Monday, however was resoundingly offered back through the level to touch a USD \$912 session low.
- Palladium took a further leg higher to a fresh all-time high of USD \$1,808 as tightness in the market continues to underpin price action.

#### **PRE-ASIA COMMENTS**

- Mild early session interest in Asia has kept price action above the overnight low prints, however we are not seeing enough demand to warrant a change in sentiment.
- Ahead today:
  - U.K. house prices
  - Conference Board U.S. consumer confidence
  - U.S. pending home sales

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