



MKS PAMP
GROUP

Europe/US Market Update - 3rd July 2020



Europe/US Markets (from Globex open)

1-Jul-20	GOLD		SILVER		PLATINUM		PALLADIUM	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
OPEN	1783.80	1784.80	18.2425	18.2625	831.00	833.00	1921.00	1951.00
HIGH	1788.80	1789.80	18.4450	18.4650	838.00	840.00	1943.00	1973.00
LOW	1759.90	1760.90	17.8400	17.8600	810.00	812.00	1909.00	1939.00
CLOSE	1771.10	1772.10	18.0300	18.0500	823.50	825.50	1927.50	1957.50
FFP	8.00	12.00	0.2200	0.3000	10.00	20.00	-20.00	20.00
Active Contract	GCQ0 Comdty		SIU0 Comdty		PLV0 Comdty		PAU0 Comdty	

MACRO

- Risk on tone in markets as US payrolls were better than expected.
- The three major equity index's in the US finished the day higher.
- The Dow rose 92 points, the S&P500 climbed 14 points whilst the Nasdaq gained 53 points.
- European shares were also higher. The Euro STOXX climbed 2.8%, the German Dax rallied 2.8% whilst the FTSE rose 1.3%.
- The VIX gauge fell 3.3% to 28
- The DXY was higher on the day finishing the session at 97.22
- US treasury yields were flat to lower. The 2 year yield fell 0.6bps to 0.153% whilst the 10 year yield was flat at 0.669%.
- Oil prices were firmer. WTI rose 1.2% to \$40.25 whilst Brent rallied 1.6% to \$42.76.
- Base metals were higher with nickel leading the charge, up 0.8%.
- The CRB index rose 1% to 140.60.
- The US labour market followed the lead of other data in June, showing the economy is finally starting to turn higher.
- In June, 4.8m jobs were added following an upwardly revised 2.7m in May - a 33% recovery!
- The unemployment rate declined 2.2% to 11.1%

PRECIOUS

- A mixed day for the precious with gold holding 1760 support again.
- Asia were light sellers, pressuring the yellow metal down towards 1765 prior to London open.
- The Europeans were on the bid squeezing XAU up to 1775 prior to NFP's.
- Once the key data was released, showing a big bounce back in employment, gold succumbed to profit taking pressuring the metal down to 1760.
- Bargain hunters were on the bid and the market quickly regained the 1770 handle squeezing up to a high of 1779, close to \$20 from the lows post the NFP's.
- For the remainder of the session the market traded sideways with dips continuing to be supported.
- Silver also came crashing lower following the employment numbers, trading down to a low of 17.86 before staging a rally in line with gold, closing north of 18.00.
- The PGM's continue to be rangebound with palladium sitting around 1950 and platinum just above the psychological 800 level.
- The Philadelphia gold and silver index fell 1.26% to 127.06.

PRE-ASIA COMMENTS

- Gold trades sideways in early trade.
- Asian equities open higher following Wall Street's lead.
- Ahead today: Australia retail sales; German Markit Composite PMI final

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