



MKS PAMP
GROUP

Europe/US Market Update - 6th August 2020



Europe/US Markets (from Globex open)

5-Aug-20	GOLD		SILVER		PLATINUM		PALLADIUM	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
OPEN	2021.60	2022.20	26.0475	26.0675	942.50	944.50	2134.50	2164.50
HIGH	2055.30	2055.90	27.1350	27.1550	980.50	982.50	2197.50	2227.50
LOW	2021.50	2022.10	26.0350	26.0550	942.00	944.00	2134.00	2164.00
CLOSE	2041.60	2042.20	27.0375	27.0575	974.00	976.00	2192.50	2222.50
EFP	11.00	15.00	0.0700	0.1500	16.00	26.00	25.00	55.00
Active Contract	GCZ0 Comdty		SIU0 Comdty		PLV0 Comdty		PAU0 Comdty	

MACRO

- A firm day for US equities despite labour data disappointing.
- The Dow Jones rallied 373 points, the S&P500 gained 21 points whilst the Nasdaq climbed 57 points.
- European shares were also higher. The Euro STOXX rose 0.4%, the German Dax rallied 0.5% whilst the UK FTSE advanced 1.1%.
- The VIX gauged lost 3.2% to 23.
- The DXY was lower on the day, closing the session at 92.80.
- US treasury yields were firmer. The 2 year yield rose 0.8 bps to 0.117% whilst the 10 year yield gained 3.3 bps to 0.548%.
- Oil prices were higher on the day. WTI rose 1.4% to \$42.20 whilst Brent jumped 1.8% to \$45.20.
- Base metals were mixed. Aluminium was the worst performer, down 0.2% whilst zinc rose 3%.
- The CRB index rose 0.5% to 148.70.
- US July ADP job gained 167k which was much lower than the expected +1.2m.

- Euro area composite final PMI for July held steady at 54.9

PRECIOUS

- Another volatile day for the precious with gold trading to new highs.
- Asia trade opened to buying interesting squeezing XAU up to 2031 prior to SGE open.
- The Chinese were sellers from the opening bell, pressuring gold back under 2020.
- The PM session was reasonably lethargic considering the recent price action of gold trading sideways between 2015-2020.
- London had good demand with short covering and stop loss buying seeing the yellow metal regain the 2030 handle.
- NY were also on the bid on the back of the soft ADP figure.
- Silver had another wild session, trading up to new recent highs north of 27.00
- Platinum is finally gaining upside momentum, pushing up towards the psychological 1000 level.
- The Philadelphia gold and silver index rose 1.12% to 161.14

PRE-ASIA COMMENTS

- Gold trades quietly in early trade
- Asian equities open higher following Wall Street's lead.
- Ahead today: BOE inflation report; RBI interest rate decision; US continuing jobless claims

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