



MKS PAMP
GROUP

Europe/US Market Update - 6th January 2020



Europe/US Markets (from Globex open)

3-Jan-20	GOLD		SILVER		PLATINUM		PALLADIUM	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
OPEN	1541.40	1541.90	18.1675	18.1875	984.00	986.00	1967.00	1973.00
HIGH	1553.20	1553.70	18.2600	18.2800	995.00	997.00	1989.00	1995.00
LOW	1540.30	1540.80	18.0000	18.0200	979.00	981.00	1957.50	1963.50
CLOSE	1550.40	1550.90	18.0350	18.0550	981.00	983.00	1989.00	1995.00
EFP	2.40	2.50	0.0350	0.0450	5.00	6.00	-35.00	-27.00
Active Contract	GCG0 Comdty		SIH0 Comdty		PLI0 Comdty		PAH0 Comdty	

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MACRO

- US equities were lower in the wake of a US airstrike in Baghdad which killed Iran's top military commander.
- The Dow lost 233.92 points to 28,634.88, the S&P 500 fell 23.00 points to 3,234.85, while the Nasdaq dropped 71.42 points to 9,020.77.
- Materials (-1.62%) and financials (-1.10%) led a near broad decline in the markets.
- The VIX gauge rose 12.43% to 14.02.
- The US dollar index was flat at 96.80, the EUR at 1.1166, with USD/JPY lower at 107.92.
- US treasury yields were lower, the 2 year yield firmed 5.0 bps to 1.523% while the 10 year yield shed 8.0 bps to 1.1799%.
- European shares were mixed, the EuroSTOXX fell 0.33%, the German DAX lost 1.25%, while the UK FTSE rose 0.24%.
- Oil prices jumped on the news from Baghdad, Brent climbed 3.6% to \$68.60 while WTI added 3.1% to \$63.05.
- In US economic data, the ISM manufacturing index fell to 47.2% in December, the softest

reading since 2009.

- Construction spending rose 0.6% in November..

- **PRECIOUS**

- Strong session for the precious on the back of the US-Iran tensions.
- Gold opened at \$1530 in Asia and traded up through \$1540 early in the day.
- London were buyers and pushed the market up to \$1550.
- Some profit taking ahead of the NY open saw the metal retrace to \$1540.
- The yellow metal traded up to the session high \$1553 in NY before closing just above the \$1550 level.
- Silver climbed to the high of \$18.26 during Asian hours before giving back all the gains.
- In the PGMS, platinum gave up early gains while palladium closed at the high of \$1989.
- The Philadelphia gold and silver index fell 1.03% to 105.41.

PRE-ASIA COMMENTS

- Gold climbed over \$30 after the Asian open to a high in the mid-\$1580s.
- Ahead today:
- US Markit Services PMI
- EU Markit Services PMI
- EU PPI

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