



# MKS PAMP GROUP

## Europe / US Market Update

### 4<sup>th</sup> June 2019

Range Europe / US Markets  
(from Globex open)

3-Jun-2019	GOLD		SILVER		PLATINUM		PALLADIUM	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
OPEN	1312.05	1312.55	14.640	14.660	800.30	802.30	1338.90	1344.90
HIGH	1327.60	1328.10	14.820	14.840	823.00	825.00	1341.00	1347.00
LOW	1309.00	1309.50	14.580	14.600	797.00	799.00	1310.00	1316.00
CLOSE	1325.35	1325.85	14.795	14.815	823.00	825.00	1321.80	1327.80
EFP	4.80	5.00	-0.0250	-0.0150	-1.50	-0.50	-10.00	0.00
LBMA Prices	AM	PM	14.705		AM	PM	AM	PM
	1313.95	1317.10			797.00	800.00	1336.00	1340.00
Active Contract	GCQ9 Comdty		SIN9 Comdty		PLN9 Comdty		PAU9 Comdty	

#### MACRO

- Global financial markets were more settled Monday, following the sharp moves observed late last week but did nothing to reverse current price action/trends.
- The Dow Jones Industrial Average traded flat, up +4.74 points (+0.02%) to 24,819.78, the S&P500 inched down -7.61 points (-0.28%) to 2,744.45, while the NASDAQ Composite plunged -120.128 points (-1.61%) to 7,333.02.
- European equities showed some signs of stability after retreating for the previous few sessions. The Euro Stoxx 600 rallied +0.39%, FTSE100 +0.32%, DAX +0.56% and CAC40 +0.65%.
- US 10y yields continued to slide trading to 2.071% from 2.129% a day earlier. (-63bps YTD).
- WTI crude continued to lose ground down -1.0% to \$52.85, while Brent slipped -1.7% to \$60.90.
- The Dollar Index (DXY) slumped -0.4% to 97.22.
- Base metals were softer on the whole as trade tensions continued to escalate with the exception of copper which managed a small gain up +0.2% to \$5842/tonne
- Eurozone Markit Manufacturing PMI 47.7 (47.7 expected, 47.7 prior)
- US Markit Manufacturing PMI 50.5 (50.6 expected, 50.6 prior)
- US ISM Manufacturing weaker than expected at 52.1 (53.0 expected, 52.8 prior)

#### PRECIOUS

- Strength seen across the precious complex, with the exception of palladium which traded flat around \$1335.
- Gold continued to see good safe-haven flows following the escalating in trade tensions and a potential slowdown in economic growth as a result, as well as a growing expectation that the next move from the Fed could be a rate cut.
- Gold rallied steadily throughout Monday opening around \$1307 and closing \$2.50 off the highs at \$1325.00 (+1.35% intraday).
- A good cross section of buyers seen yesterday - macros, models, physical, HF's.
- Impressive run over the past few sessions for the yellow metal, rallying \$52 since last Thursday's (30th May) low or +4.1%.
- Platinum was a strong performer yesterday, blitzing the field and climbing just short of \$30 (+3.5%) on the day and punching convincingly through the \$800 to trade to \$822.
- Silver was a steady climber opening at \$14.60 and finishing the day around \$14.80. The market remains quite short silver, so we feel a prolonged rally in the rest of the complex could couple



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with a push in silver back toward \$15.20-15.50 area. Next resistance \$14.85-90 area where 50 and 200 dma's intersect.

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

- So far in Asia price action has been fairly muted - that said all metals are retaining their overnight gains so far.
- SGE open, premiums much the same as yesterday. So far light buy flows seen in gold and silver.
- Asian equities at time of writing lower - Nikkei -0.4%, Shanghai Composite -0.45%, Hang Seng -0.15%, ASX200 -0.05%.

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