



**MKS PAMP GROUP**  
**Europe / US Market Update**  
**7<sup>th</sup> January 2019**

Range Europe / US Markets  
(from Globex open)

4-Jan-19	GOLD		SILVER		PLATINUM		PALLADIUM	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
OPEN	1295.25	1295.65	15.7800	15.8000	802.00	805.00	1260.10	1280.10
HIGH	1295.25	1295.65	15.8000	15.8200	822.00	825.00	1309.10	1329.10
LOW	1276.25	1276.65	15.5800	15.6000	793.60	796.60	1258.80	1278.80
CLOSE	1284.35	1284.75	15.6950	15.7150	821.00	824.00	1299.60	1319.60
EFP	1.65	2.05	0.0450	0.0650	3.50	6.50	-80.00	-60.00
LBMA Prices	AM	PM	15.71		AM	PM	AM	PM
	1290.35	1279.90			801.00	800.00	1264.00	1269.00
Active Contract	GCG9 Comdty		SIH9 Comdty		PLJ9 Comdty		PAH9 Comdty	

**MACRO**

- A dramatic turnaround in the US equities on Friday saw the major index's surge 3-4% on the back of a very firm NFP and reassuring words from Powell
- The Dow rallied 746.94 points, the S&P500 advanced 84.05 points whilst the Nasdaq climbed 275.35 points.
- European shares also rallied. The Euro STOXX jumped 2.2%, the German Dax rose 3.4% whilst the UK FTSE rallied 2.2%.
- The VIX gauge sank 16% to 21.38.
- US treasury yields surged. The 2 year yield advanced 7.9 bps to 2.494% whilst the 10 year yield gained 9.3 bps to 2.668%.
- Oil prices were higher. WTI rose 1.4% to \$47.96 whilst Brent gained 1.7% to \$57.06.
- Base metals were firmer with copper leading the charge, up 3.2%.
- The CRB index rose 1.1% to 173.35.
- US NFP's rose 312k in December, beating expectations of a rise of 184k.
- The unemployment rate was 3.9% and the participation rate was 3.9%.

**PRECIOUS**

- Gold initially pushed higher in Asia on Friday with both Tocom and SGE on the bid.
- XAU touched new recent highs just after the Chinese open at 1298 following the headline 'U.S. HOUSE PASSES SPENDING BILLS TO END PARTIAL SHUTDOWN'.
- London were on the offer and happy to sell just ahead of 1300 pressuring gold back down to 1290.00 prior to the NFP release.
- With the better than expected number, gold came crashing lower, dropping around \$15.
- The yellow metal made a slight recovery into the close to finish the week at 1285.
- Silver was unable to breach 16, and also succumbed to heavy profit taking closing the day at 15.70.
- Palladium rocketed higher trading up to a high of 1309, whilst platinum managed to trade back above 800 up to a high of 822.
- The Philadelphia gold and silver index eased 0.42% to 71.87.
- The SPDR gold trust holdings rose 0.37% to 798.25 metric tons.



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## **PRE-ASIA COMMENTS**

- Gold trades quietly in early trade.
- Asian equities open higher following Wall Street's stellar performance.
- Ahead today: US ISM non-manufacturing

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