



MKS PAMP GROUP

Europe / US Market Update

16th May 2018

Range Europe / US Markets
(from Globex open)

15-May-18	GOLD		SILVER		PLATINUM		PALLADIUM	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
OPEN	1310.90	1311.40	16.4600	16.4900	908.10	911.10	992.80	997.80
HIGH	1312.00	1312.50	16.485	16.515	909.20	912.20	993.40	998.40
LOW	1288.40	1288.90	16.1750	16.2050	894.10	897.10	959.30	964.30
CLOSE	1292.10	1292.60	16.2550	16.2850	896.20	899.20	981.50	986.50
EFP	-0.50	0.00	0.0000	0.0300	-1.00	2.00	-10.00	-5.00
LBMA Prices	AM	PM	16.41		AM	PM	AM	PM
	1310.05	1295.00			905.00	901.00	977.00	970.00
Active Contract	GCM8 Comdty		SIN8 Comdty		PLN8 Comdty		PAM8 Comdty	

MACRO

- US equities were lower as bond yields surged.
- The Dow added lost 193.00 points to 24,706.41, the S&P fell 18.68 points to 2,711.45, while the Nasdaq shed 5.688 points to 7,351.627.
- REIT's (-1.67%), healthcare (-1.29%) and tech (-0.96%) led a broad decline in the markets.
- The VIX gauge rose 13.15% to 14.63.
- The US dollar index climbed 0.72% to 93.252, the EUR traded down to 1.1823, while USD/JPY traded up to 110.43.
- US treasury yields were higher, 2 year yields rose 2.7 bps to 2.5745% while 10 year yields firmed 6.9 bps to 3.0723%.
- European shares were narrowly mixed, the EuroSTOXX 600 crept up 0.05%, the German DAX edged lower 0.06%, while the UK FTSE rose 0.16%.
- Oil prices were mixed, Brent sold off 0.15% to \$78.11 while WTI added 0.06% to \$71.00.
- Base metals were mixed, with copper (-1.12%) the biggest mover.
- US retail sales rose 0.3% in Apr following a 0.8% increase in Mar.
- Retail sales ex-autos rose 0.3% following a 0.4% in Mar.
- The Empire State Index rose to 20.1 in May from 15.8 in Apr.
- The NAHB housing index increased to 70 in May from a downwardly revised 68 in Apr.

PRECIOUS

- Rough night for the precious as gold slumps below \$1300 for the first time in 2018.
- Gold was quiet during Asian hours, trading a tight \$1311-14 range for most of the day.
- The SGE premium firmed to \$8-9 which prompted buying out of Asia, however resting orders capped the market.
- The strengthening of the greenback took hold around London lunchtime and gold started to soften.



- The USD was surging as NY came in and the yellow metal was promptly sold through the psychological \$1300 support.
- Stops triggered around \$1300 sent the market down to \$1291 initially, and on to the 2018 low of \$1288 later in the session.
- Silver gave up 30c to the days low of \$16.19,
- Palladium managed to pare some of the early losses to close at \$982 while platinum broke through the \$900 level to finish at \$892.
- The Philadelphia gold and silver index lost 2.04%.

PRE-ASIA COMMENTS

- Gold flat in early Asian trade.
- Ahead today:
US Housing Starts
US Building Permits
US Industrial Production
US Capacity Utilisation
EU Inflation data

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