



MKS PAMP GROUP
Europe / US Market Update
19th October 2018

Range Europe / US Markets
(from Globex open)

18-Oct-18	GOLD		SILVER		PLATINUM		PALLADIUM	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
OPEN	1222.29	1222.79	14.6100	14.6400	832.60	835.60	1073.11	1076.11
HIGH	1230.16	1230.66	14.6604	14.6904	834.74	837.74	1080.15	1083.15
LOW	1218.78	1219.28	14.4542	14.4842	825.92	828.92	1066.97	1069.97
CLOSE	1226.53	1227.03	14.5760	14.6060	827.89	830.89	1072.00	1075.00
EFP	3.00	3.10	0.0200	0.0300	2.00	3.00	-11.00	-5.00
LBMA Prices	AM 1224.60	PM 1223.00	14.515		AM 832.00	PM 828.00	AM 1076.00	PM 1075.00
Active Contract	GCZ8 Comdty		SIZ8 Comdty		PLF9 Comdty		PAZ8 Comdty	

MACRO

- Initial jobless claims in the U.S. eased 5,000 to 210,000 during the week ended Oct 13, while continuing claims pulled back 13,000 to 1.640 million during the week ended Oct 6.
- The Philadelphia Fed business outlook outpaced expectations to print 22.2 (exp: 20.0).
- Bloomberg U.S. consumer confidence improved to 60.8 from 59.5 previously.
- US equities were sharply lower on the back of Wednesday's Fed minutes releases and concerns over global growth.
- The DJIA lost -1.27% to 25,379.45 points, the S&P 500 sunk -1.44% to 2,768.78 points, while the Nasdaq collapsed -2.06% to 7,485.141.
- The VIX gauge was 15.29% higher to 20.06.
- The US dollar index (DXY) rose 0.33% to 95.975, making notable gains against the euro (-0.44%) and the pound (-0.58%).
- US treasury yields ended mixed overnight to see the 2 year yield 0.8bps lower to 2.874% while the 10 year yield added 0.4bps to 3.175%.
- European shares were lower overnight on global trade concerns. The EuroSTOXX fell -0.51%, the German DAX shed -1.07%, while the UK FTSE declined -0.39%.
- Oil futures fell sharply on Thursday following a fourth consecutive weekly increase in U.S. crude inventories. WTI sunk -1.6% to USD \$68.65 per barrel, while Brent crude pulled back -1% to USD \$79.29 per barrel.

PRECIOUS

- Gold saw mixed price action on Thursday, recovering from early European weakness to once again test a break of USD \$1,230.
- The metal tracked sideways throughout Asian hours, settling underneath USD \$1,225 as Shanghai traded around USD \$6 and USD/CNH pushed higher.
- Early European offers took the metal briefly underneath USD \$1,220, however resting bids restricted any further declines, while a softening dollar further supported a recovery higher.
- Gold spent the majority of the European session testing a break above USD \$1,225, however it wasn't until New York opened that the metal was able to consolidate through the short-term pivot point, seeing a short squeeze to a USD \$1,230 high.
- A firming greenback soon had the metal paring gains, settling around USD \$1,226 into the close.
- Silver saw volatile price action in early Europe, briefly below USD \$14.50.



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- The grey metal edged higher in New York, however saw offers through USD \$14.60 - \$14.65 weigh upon prices to end modestly lower on the session.
- Platinum extended recent weakness to fall below USD \$830 and end -0.75% down, while palladium saw whippy price action in early New York trade, however ended broadly unchanged.

PRE-ASIA COMMENTS

- Gold continues to hold above USD \$1,225 in early Asian trade and this near-term pivot point will be important in determining price direction.
- Ahead today:
China GDP
China industrial production
U.S. existing home sales.

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