



**MKS PAMP GROUP**  
**Europe / US Market Update**  
**20<sup>th</sup> July 2018**

Range Europe / US Markets  
(from Globex open)

| 19-Jul-2018     | GOLD        |         | SILVER      |        | PLATINUM    |        | PALLADIUM   |        |
|-----------------|-------------|---------|-------------|--------|-------------|--------|-------------|--------|
|                 | Bid         | Offer   | Bid         | Offer  | Bid         | Offer  | Bid         | Offer  |
| OPEN            | 1223.45     | 1223.95 | 15.455      | 15.475 | 812.00      | 814.00 | 904.20      | 909.20 |
| HIGH            | 1229.00     | 1229.50 | 15.470      | 15.490 | 814.00      | 816.00 | 905.00      | 910.00 |
| LOW             | 1211.5      | 1212.00 | 15.170      | 15.190 | 793.00      | 795.00 | 860.00      | 865.00 |
| CLOSE           | 1222.15     | 1222.65 | 15.300      | 15.320 | 805.10      | 807.10 | 869.30      | 874.30 |
| EFP             | -0.30       | -0.20   | 0.0100      | 0.0200 | 1.50        | 2.50   | -8.00       | -4.00  |
| LBMA Prices     | AM          | PM      | 15.260      |        | AM          | PM     | AM          | PM     |
|                 | 1217.40     | 1217.55 |             |        | 804.00      | 798.00 | 904.00      | 886.00 |
| Active Contract | GCQ8 Comdty |         | SIU8 Comdty |        | PLV8 Comdty |        | PAU8 Comdty |        |

**MACRO**

- US President Trump commented that he "wasn't thrilled" that the Fed was hiking rates, putting pressure on the USD and financial sector.
- US equities were lower as a decline in bank shares weighed on the market.
- The Dow fell 134.79 points to 25,064.50, the S&P gave up 11.13 points to 2,804.49, while the Nasdaq lost 29.148 points to 7,825.296.
- REIT's (+1.01%) had a win while financials (-1.44%) and telecoms (-1.10%) weighed on the markets.
- The VIX gauge added 6.36% to 12.87.
- The US dollar index crept up 0.08% to 95.16, despite being as high as 95.599 before Trump's comments.
- The EUR traded as low as 1.1582 before surging up to 1.1671, while USD/JPY plunged from above 113 to 112.08.
- US treasury yields were lower, the 2 year yield eased 1.86 bps to 2.5907% while the 10 year yield lost 3.12 bps to 2.8380%.
- European shares were mostly lower, the EuroSTOXX fell 0.23%, the German DAX shed 0.62%, while the UK FTSE rose 0.10%.
- Oil prices were mixed, Brent declined 0.38% to \$72.62 while WTI firmed 1.02% to \$69.46.
- Base metals were mostly higher, with nickel (+3.65%) leading the gains.
- In US economic data, the Philly Fed index rose 6 points to 25.7 in July.
- Weekly jobless claims fell 8k to 207k in the week ending July 14, the lowest level since 1969.
- Continuing claims rose 8k to 1.75M.

**PRECIOUS**

- Gold opened at \$1227 and softened through Asian hours with USD/CNH on the rise.
- The SGE premium eased to -\$1-2 and demand out of China was very weak.
- London came in on the offer and sold the metal to \$1215 as the EUR dipped below 1.16.
- Another fresh yearly low was printed at \$1211 in early NY trading, proceeded by a modest recovery to \$1217.



- Trumps interest rate comments sent the USD plunging and XAU gapping up \$11 to \$1228.
- There were plenty of sellers at this level, and the yellow metal finished the day at \$1222.
- Silver tumbled to a new 2 year low of \$15.19 and was not able to sustain a late recovery.
- Palladium touched a 1 year low \$865 while platinum reached its lowest level since 2009.
- The Philadelphia gold and silver index shed 1.46%.
- The SPDR Gold Trust holdings were up 0.52% to 798.31mt.

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

- Gold flat in early Asian trading.
- Asian markets open higher despite the losses on Wall St overnight.  
No significant data scheduled for release tonight.

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