



MKS PAMP GROUP

Europe / US Market Update

20th June 2018

Range Europe / US Markets
(from Globex open)

Ranges: Europe/US Markets:

19-Jun-18	GOLD		SILVER		PLATINUM		PALLADIUM	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
OPEN	1278.32	1278.82	16.4708	16.5008	883.69	886.69	991.55	994.55
HIGH	1284.13	1284.63	16.5493	16.5793	886.17	889.17	993.23	996.23
LOW	1270.52	1271.02	16.2430	16.2730	862.37	865.37	966.58	969.58
CLOSE	1275.28	1275.78	16.3110	16.3410	867.44	870.44	968.81	971.81
EFP	2.30	2.40	0.0025	0.0125	0.25	1.25	-10.00	-5.00
LBMA Prices	AM	PM			AM	PM	AM	PM
	1279.00	1276.15	16.355		880.00	871.00	983.00	982.00
Active Contract	GCQ8 Comdty		SIN8 Comdty		PLN8 Comdty		PAU8 Comdty	

MACRO:

- US equities were sold overnight on the back of Trump's threat to impose an additional \$400 billion in tariffs on China goods.
- The Dow Jones dropped 287.26 points, the S&P500 eased 11.16 points whilst the Nasdaq retreated 21.44 points.
- The best performing sector was telcos (+1.42%) whilst industrials were the worst (-2.14%).
- European shares were also softer. The Euro STOXX fell 0.9%, the German Dax declined 1.2% whilst the UK FTSE dropped 0.4%.
- The VIX gauge rallied 8.45% to 13.35.
- The dollar index gained 0.26% to 95.005.
- US treasury yields were higher. The 2 year yield rose 3.7 bps to 2.545% whilst the 10 year yield gained 2.2 bps to 2.895%.
- Oil prices were mixed. WTI fell 0.3% to \$65.14 whilst Brent rose 0.4% to \$75.08.
- Base metals were sold across the board with aluminium the hardest hit, down 2.2%.
- The CRB index fell 1.2% to 193.82.
- US housing starts rose 5% in May to an annualised pace of 1.35m.
- US building permits fell 4.6%.

PRECIOUS:

- Precious metals came under further pressure overnight following mounting pressure on the global economy with 'risk off' the theme of the day.
- Gold initially edged higher in Asia with the return of China following their long weekend.



MKS PAMP
GROUP

- XAU traded as high as 1284 but scale up offers on comex and producer selling in XAUAUD capped any further advance.
- London were sellers and when gold breached 1278 stop loss selling hammered the market down to the lows of the day 1271.05 before staging a minor recovery.
- Silver also came under heavy selling pressure trading as low as 16.275.
- The PGM's weren't immune to the carnage with platinum dropping over \$20 whilst palladium dropped around \$25.
- The Philadelphia gold and silver index fell 0.86%.
- The SPDR gold trust holdings were unchanged at 827.86 metric tons.

PRE-ASIA COMMENTS:

- Asian equities open higher despite Wall Street finishing in the red.
- Gold remains offered in early trade.
- Ahead today:
 - Draghi speaks in Portugal
 - US existing home sales
 - NZ GDP

Although the information in this report has been obtained from and is based upon sources MKS believes to be reliable, we do not guarantee its accuracy and it may be incomplete or condensed. All opinions and estimates constitute MKS' judgment as of the date of this report and are subject to change without notice. This report is for informational purposes only and is not intended as investment advice, offer or solicitation for the purchase or sale of an investment. This report does not consider or take into account the investment objectives or financial situation of a particular party.