



MKS PAMP GROUP
Europe / US Market Update
24th May 2018

Range Europe / US Markets
(from Globex open)

23-May-2018	GOLD		SILVER		PLATINUM		PALLADIUM	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
OPEN	1291.80	1292.30	16.5400	16.5700	903.35	906.35	987.80	991.80
HIGH	1298.70	1299.20	16.5500	16.5800	908.15	911.15	988.90	992.90
LOW	1287.15	1287.65	16.3200	16.3500	896.95	899.95	969.10	973.10
CLOSE	1293.28	1293.78	16.4550	16.4850	902.65	905.65	979.50	983.50
EFP	-0.70	-0.55	-0.0050	0.0050	-0.25	0.75	-10.00	-5.00
LBMA Prices	AM	PM	16.530		AM	PM	AM	PM
	1294.00	1289.00			904.00	903.00	978.00	972.00
Active Contract	GCM8 Comdty		SIN8 Comdty		PLN8 Comdty		PAM8 Comdty	

MACRO

- US equities recovered late in the session following the FOMC minutes.
- The Dow gained 52.4 points, the S&P500 climbed 8.85 points whilst the Nasdaq rallied 47.5 points.
- The best performing sector was utilities (+0.9%) whilst the worst was financials (-0.6%).
- European shares were softer. The Euro STOXX fell 1.3%, the German Dax eased 1.5% whilst the UK FTSE dropped 1.1%.
- The VIX gauge sank 4.84% to 12.58.
- The dollar index rallied 0.37% to 93.92.
- US treasury yields were hammered. The 2 year yield fell 5.7 bps to 2.528% whilst the 10 year yield dropped 5.9 bps to 2.992%.
- Base metals were softer, with copper leading the laggards, down 1.6%.
- Oil prices were mixed. WTI was down 0.2% to \$71.78, whilst Brent was up 0.9%.
- The CRB index rose 0.1% to 206.38.
- US PMI data outperforms Europe.
- U.S. new home sales fall -1.5% in April to follow a downwardly revised +2.0% (prev: +4.0%).
- FOMC minutes were consistent with a total of three rate hikes this year.



PRECIOUS

- Whippy price action for bullion overnight as currency flows kept participants on their toes.
- Early London trade saw risk off the table to propel gold through the previous session high print and touch USD \$1,288.70 as stops were triggered.
- The rally was once again short-lived however, with the metal soon paring gains as New York opened, following the euro lower to break back below USD \$1,290 (\$1,287.15 low)
- The FOMC minutes release gave the metal a boost into the close as members skewed to the dovish side, noting they were in no rush to tighten more aggressively.
- Silver disappointed overnight, gapping lower on a stop loss run underneath USD \$16.50 and failing to recover back above the level post-FOMC
- Platinum traded resiliently to hold the USD \$900 handle, while palladium lost ground.

PRE-ASIA COMMENTS

- Early session interest is keeping price action buoyant above USD \$1,290, with a slight shift to a risk off tone following the overnight declines to treasury yields helping the precious complex.
- Layered offers toward USD \$1,300 are still weighing upon top-side moves, however the recent price action suggests the barrier to a move higher may be weakening.
- Near-term support expected around USD \$1,290, while resistance through USD \$1,300 - \$1,302.

Ahead today;

German GDP

U.K. Retail Sales

U.S. Initial Jobless

U.S. FHFA House Prices

U.S. Bloomberg Consumer Confidence

U.S. Existing Home Sales

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