



MKS PAMP GROUP

Europe / US Market Update

24th May 2019

Range Europe / US Markets
(from Globex open)

23-May-19	GOLD		SILVER		PLATINUM		PALLADIUM	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
OPEN	1273.50	1274.00	14.4300	14.4600	800.00	803.00	1311.70	1316.70
HIGH	1287.00	1287.50	14.6400	14.6700	804.00	807.00	1324.60	1329.60
LOW	1273.10	1273.60	14.4300	14.4600	795.00	798.00	1307.50	1312.50
CLOSE	1283.50	1284.00	14.5800	14.6100	798.00	801.00	1308.00	1313.00
EFP	-0.50	-0.40	-0.0300	-0.0200	0.00	1.00	-14.00	-4.00
LBMA Prices	AM	PM	14.4800		AM	PM	AM	PM
	1275.95	1283.65			800.00	798.00	1311.00	1311.00
Active Contract	GCM9 Comdty		SIN9 Comdty		PLN9 Comdty		PAM9 Comdty	

MACRO

- Stocks in the U.S. fell sharply on Thursday as investors turned focus back to the ongoing trade war between the U.S. and China
- The DJIA slumped -1.11% to 25,490.47 points, the S&P 500 fell -1.19% to 2,822.24 points and the Nasdaq Composite collapsed -1.58% to 7,628.285 points.
- Energy (-3.13%) and technology (-1.73%) led the laggards
- The VIX gauge firmed 14.71% to 16.92
- The greenback saw whipsaw price action on Thursday, sharply reversing earlier session gains in New York to finish -0.22% down (DXY) as PMI prints came out markedly softer.
- U.S. treasury yields declined as investors flocked to safety. At one stage the 10-year fell 8bps to 2.308%, the lowest level since November 2017. The two-year ended 8bps down at 2.148%.
- European socks finished firmly in the red on the back of lingering trade concerns.
- The Stoxx Europe 600 fell -1.42% to 373.79 points, the German Dax sunk -1.78% to 11,952.41 points and in London the FTSE 100 ended down -1.41% to 7,231.04 points.
- U.S. initial jobless claims eased just 1,000 to 211,000 (exp: 215,000) during the week ended May 18 as the four-week moving average declined 4,750 to 220,250.
- The Markit U.S. manufacturing PMI sunk to 50.6 (exp: 52.6), a more than nine year low.
- The Markit U.S. services PMI fell to 50.9 (exp: 53.5), a 39-month low.
- U.S. new home sales declined -6.9% to a 673,000 annualised pace.

PRECIOUS

- An outside session for gold on Thursday as the metal found favour on the back of trade concerns.
- The yellow metal held support toward USD \$1,270 during Asian hours and saw interest out of Europe take pricing toward USD \$1,280.
- The onshore SGE premium was firmer toward USD \$14, however failed to stir interest in spot.
- The softer than expected U.S. PMI prints sent the greenback lower and provided the impetus for a break through USD \$1,280.
- Gold extended to a USD \$1,287 high print, before light late session profit taking wiped a few dollars away into the close.
- Silver followed gold higher to move through the USD \$14.50 resistance and consolidate the break higher.



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- The white metals failed to benefit from the safe-haven flows into gold, with platinum unable to consolidate above USD \$800, while palladium looks likely to test the USD \$1,300 support.

PRE-ASIA COMMENTS

- Gold has seen modest profit taking in early Asian trade, easing back toward USD \$1,280.
- The yellow metal will look to support around USD \$1,280 over the near-term
- Ahead today:
 - U.K. retail sales
 - U.S. durable goods

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