



MKS PAMP GROUP

Europe / US Market Update

24th October 2017

Range Europe / US Markets
(from Globex open)

24-Oct-17	GOLD		SILVER		PLATINUM		PALLADIUM	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
OPEN	1282.41	1282.91	17.0840	17.1140	925.10	928.10	960.78	963.78
HIGH	1283.73	1284.23	17.1497	17.1797	930.25	933.25	969.00	972.00
LOW	1273.82	1274.32	16.8843	16.9143	919.29	922.29	956.50	959.50
CLOSE	1277.92	1278.42	16.9890	17.0190	924.45	927.45	965.90	968.90
EFP	1.18	1.28	0.0100	0.0200	2.00	3.00	-7.00	-4.00
LBMA Prices	AM	PM	17.035		AM	PM	AM	PM
	1278.30	1276.45			923.00	922.00	960.00	963.00
Active Contract	GCZ7 Comdty		SI27 Comdty		PLF8 Comdty		PAZ7 Comdty	

MACRO

- President Trump took a straw poll of Senate leaders which show they favour John Taylor as the next Fed chair.
- Taylor is viewed as the most hawkish candidate in the running.
- US equities were higher amid a series of strong earnings results.
- The Dow added 164.64 points to 23,438.60, the S&P 500 rose 4.43 points to 2,569.41, while the Nasdaq gained 11.604 points to 6,598.43.
- There were wins for financials (+0.74%) and materials (+0.59%) while healthcare (-0.67%) and REITs (-0.63%) led the losses.
- The VIX gauge lost 0.9% to 10.97.
- The US dollar index rose 0.10% to 93.937. the EUR was as high as 1.1785, while USD/JPY climbed to 113.96.
- US treasury yields were higher on the Fed speculation, 2 year yields firmed 1.68 bps to 1.5810%, while 10 year yields increased by 4.71 bps to 2.4135%.
- European shares were mixed, the EuroSTOXX 600 lost 0.36%, the German DAX put on 0.08%, while the UK FTSE inched up 0.03%.
- Oil prices were higher, Brent firmed 1.69% to \$58.34 while WTI rose 1.10% to \$52.47.
- Base metals were broadly higher, with zinc (+1.53%) leading the gains.
- In US economic data, the Markit manufacturing PMI (flash) rose to 54.5 in Oct from 53.1 in Sep, a nine month high.
- The Markit services PMI (flash) rose to 55.9 in Oct from 55.3 in Sep.

PRECIOUS

- Soft session for the precious as both the greenback and bond yields firmed.
- Gold opened at \$1281 and remained within the \$1280-83 range during Asian hours.
- The SGE premium was at \$6-7 over loco London.
- Gold started to soften late in Asia as USD/JPY firmed.
- London were sellers here, the market dipping to the low of \$1273 during the NY AM session.
- The yellow metal bounced back to \$1276 and very briefly spiked to \$1281 in a volatile afternoon as markets reacted to the Taylor news.
- The XAU closed out the session at \$1276.
- Silver was sold back to the recent lows around \$16.88 before finishing at \$16.94.
- Palladium finished higher at \$962 in a whippy trade.



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- The Philadelphia Gold and Silver index lost 0.79%.
- Gold ETFs bought 47koz overnight.

PRE-ASIA COMMENTS

- Gold flat in early Asian trade.
- Ahead today:
US Durable Goods Orders
US Core Capex Orders
US New Home Sales
Germany IFO Current Conditions
Germany IFO Expectations
Germany IFO Business Climate

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