



**MKS PAMP GROUP**  
**Europe / US Market Update**  
**25<sup>th</sup> October 2018**

Range Europe / US Markets  
(from Globex open)

24-Oct-18	GOLD		SILVER		PLATINUM		PALLADIUM	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
OPEN	1231.55	1232.05	14.7800	14.8100	830.50	833.50	1137.90	1142.90
HIGH	1233.35	1233.85	14.790	14.820	835.20	838.20	1138.70	1143.70
LOW	1225.25	1225.75	14.6250	14.6550	823.30	826.30	1120.70	1125.70
CLOSE	1230.25	1230.75	14.6450	14.6750	829.20	832.20	1122.90	1127.90
EFP	2.75	3.25	0.0050	0.0350	1.50	4.50	-17.00	-12.00
LBMA Prices	AM	PM	14.75		AM	PM	AM	PM
	1231.65	1230.55			827.00	827.00	1141.00	1125.00
Active Contract	GCZ8 Comdty		SIZ8 Comdty		PLF9 Comdty		PAZ8 Comdty	

**MACRO**

- US equities were hammered as the Dow erased all of it's 2018 gains.
- The Dow tumbled 608.01 points to 24,583.42, the S&P 500 dumped 84.59 points to 2,656.10, while the Nasdaq slashed 329.14 points to 7,108.40.
- Huge losses in communications (-4.88%), tech (-4.43%) and energy (-3.79%) dragged the markets lower.
- The VIX gauge rose 26% to 26.1.
- The US dollar index rose 0.51% to 96.425, the EUR traded down to 1.138, while USD/JPY was as low as 112.11.
- US treasury yields were lower, the 2 year yield eased 5.5 bps to 2.84% while the 10 year yield sipped 5.5 bps to 3.11%.
- European shares were mostly lower, the EuroSTOXX fell 0.22%, the German DAX lost 0.73%, while the UK FTSE added 0.11%.
- Oil prices were lower, Brent sold off 1.5% to \$75.57 while WTI fell 0.3% to \$66.34.
- Base metals were broadly lower, with nickel (-1.2%) leading the losses.
- In US economic data, the Markit manufacturing PMI (flash) rose to 55.9 in October from 55.6 in September.
- The Markit services PMI (flash) rose to 54.7 from 53.5 in September.
- New home sales fell to a seasonally adjusted rate of 553k in September from 585k in August.

**PRECIOUS**

- Gold bounces off the lows as US stocks take a beating.
- Gold bounced between \$1230-34 through Asian hours in fairly quiet trading.
- The SGE premium was at \$6-7 and Chinese banks were net buyers.
- The market started to soften through the London AM session as USD was bid against the EUR and GBP.
- The metal dipped sharply to print the session low \$1225 just after the NY open.



- There was a bounce back up to \$1232 followed by another dip to \$1227 over the next few hours.
- The yellow metal was bid through the NY afternoon as equities were heavily sold.
- Gold closed at the high of \$1233.
- Silver closed near the lows at \$14.64 after a range-bound session.
- Palladium saw profit taking after the previous sessions record close.
- The Philadelphia gold and silver index lost 2.10%.
- SPDR Gold Trust holdings were up 0.24% to 749.64mt.

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

- Asian markets open sharply lower after the horror session on Wall St.
- Gold is edging higher in early Asian trading.
- Ahead today:
- US Weekly Jobless Claims
- US Durable Goods Orders
- US Core Capex Orders
- US Advance Trade in Goods
- US Pending Home Sales Index
- EU ECB Interest Rate Decision

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