



# MKS PAMP GROUP

## Europe / US Market Update

### 27<sup>th</sup> September 2018

Range Europe / US Markets  
(from Globex open)

26-Sep-2018	GOLD		SILVER		PLATINUM		PALLADIUM	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
OPEN	1202.10	1202.60	14.500	14.520	824.50	826.50	1058.80	1063.80
HIGH	1202.10	1202.60	14.500	14.520	829.00	831.00	1071.00	1076.00
LOW	1190.50	1191.00	14.310	14.330	821.00	823.00	1058.00	1063.00
CLOSE	1194.35	1194.85	14.350	14.370	823.50	825.50	1067.70	1072.70
EFP	4.10	4.30	0.0200	0.0300	0.00	1.00	-14.00	-7.00
LBMA Prices	AM	PM	14,475		AM	PM	AM	PM
	1198.80	1194.25			826.00	824.00	1059.00	1065.00
Active Contract	GCZ8 Comdty		SI28 Comdty		PLV8 Comdty		PAZ8 Comdty	

#### MACRO

- The U.S. Federal Reserve increased the benchmark funds rate by 25bps to a range between 2% - 2.25%, while projecting one further increase this year and three in 2019.
- Fed officials estimate GDP to rise 3.1% during 2018 from a previously estimated 2.8%, while the estimate for 2019 inched up +0.1% to 2.5%.
- New home sales in the U.S. rebounded during August following consecutive monthly declines, increasing +3.5% MoM (exp: +0.5%) from a -1.6% fall in July.
- Equities in the U.S. ended lower on Wednesday, reversing early session gains following the FOMC announcement.
- The DJIA surrendered -0.40% to 26,385.28 points, the S&P 500 declined -0.33% to 2,905.97 points and the Nasdaq Composite fell -0.21% to 7,990.367 points.
- The greenback saw volatility in New York around the FOMC announcement, however ended marginally higher to see the DXY index add +0.1%.
- Markets in Europe edged higher ahead of the FOMC decision, as regional currencies eased modestly. The Europe Stoxx 600 gained +0.30% to 385.04 points, the German Dax tacked on +0.09% to 12,385.89 points and the French CAC added +0.61% to 5,512.73 points. In the U.K. the FTSE 100 inched +0.05% higher to 7,511.49 points

#### PRECIOUS

- A disappointing session for bullion on Wednesday, sliding underneath USD \$1,200 during European hours and failing to recapture the figure into the close.
- Asian trade saw relatively robust price action to hold the USD \$1,200 handle as the on-shore premium in China ticket up toward USD \$7.
- Dollar strength in early European hours put downwards pressure on bullion, easing through USD \$1,200, before accelerating into the U.S. open to test recent support around USD \$1,194.
- Whippy price action around the FOMC announcement saw a session low of USD \$1,191 printed, however the weakness was fleeting and bullion recovered back above USD \$1,194 into the close.
- Silver traded relatively resiliently overnight, seeing supportive interest around USD \$14.30 to restrict further declines.
- Palladium outperformed overnight, adding around +1% to break above recent resistance toward USD \$1,067.



## PRE-ASIA COMMENTS

- Early session interest has provided a mild bid tone to bullion, supporting the metal above USD \$1,195.
- Initial support sits broadly around USD \$1,193 - \$1,195, while resistance cuts in back at USD \$1,200.
- Ahead on the data calendar today;
  - Germany CPI
  - Eurozone consumer confidence
  - U.S. wholesale inventories
  - U.S. GDP
  - U.S. PCE
  - U.S. durable goods
  - U.S. initial jobless claims
  - U.S. Bloomberg consumer confidence

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