



## MKS PAMP GROUP

### Europe / US Market Update

30<sup>th</sup> August 2018

Range Europe / US Markets  
(from Globex open)

29-Aug-18	GOLD		SILVER		PLATINUM		PALLADIUM	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
OPEN	1204.40	1204.90	14.7400	14.7700	793.70	796.70	948.20	953.20
HIGH	1207.00	1207.50	14.770	14.800	797.20	800.20	967.30	972.30
LOW	1199.50	1200.00	14.6800	14.7100	791.00	794.00	938.00	943.00
CLOSE	1206.90	1207.40	14.7100	14.7400	797.20	800.20	963.50	968.50
EFP	5.80	6.30	-0.0700	-0.0300	-2.00	1.00	-12.50	-7.50
LBMA Prices	AM	PM	14.69		AM	PM	AM	PM
	1204.30	1204.20			792.00	793.00	941.00	950.00
Active Contract	GCZ8 Comdty		SIUB Comdty		PLV8 Comdty		PAU8 Comdty	

#### MACRO

- U.S. GDP increased at an annualised +4.2% during 2Q (exp: +4.0%) from +4.1% previously estimated. Core PCE was unchanged at +2.0% QoQ.
- Pending home sales in the U.S. slipped -0.7% MoM during July (exp: +0.3%) from a +1.0% increase in June.
- Equities in the U.S. strengthened further on Wednesday, buoyed by optimism over a trade deal between the U.S. and Canada.
- The DJIA closed +0.23% higher to 26,124.57 points, while the S&P 500 added +0.57% to a fresh record close at 2,914.04 points and the Nasdaq Composite jumped +0.99% to end at 8,109.688 points, also a fresh record.
- The greenback reversed early session gains in New York overnight to end lower, seeing the DXY -0.18% at the close. The British pound made notable gains following Brexit headlines, surging +1.2% on the session.
- Oil futures turned higher overnight following a sharper fall in U.S. domestic supplies than expected. WTI ended +1.4% higher to USD \$69.50 per barrel, while Brent Crude jumped +1.6% to USD \$77.14 per barrel.
- European equities finished higher overnight on general optimism over global trade discussions. The Stoxx Europe 600 added +0.29% to 386.58 points and the German Dax closed +0.27% higher to 12,561.68 points.
- In the U.K. the FTSE 100 tracked lower on the back of a stronger pound, shedding -0.71% to 7,563.21 points.

#### PRECIOUS

- Gold held rangebound on Wednesday, however importantly remained above the psychological USD \$1,200 level.
- Asian hours saw pricing underpinned by modest Chinese interest as the Shanghai premium remained above USD \$7.
- Movement in Europe was relatively muted, while a softening greenback in New York provided underlying support for the yellow metal to see bullion close toward the session high print.
- Silver found interest around USD \$14.70 to restrict further declines, however couldn't match the bid tone afforded to gold.



- Palladium saw a further squeeze to jump +2.5%, while platinum was generally well supported in New York, however unable to reclaim the USD \$800 handle.

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

- Early session interest has underpinned a mild bid tone to bullion, while the Shanghai premium remains robust toward USD \$6.
- The yellow metal remains sensitive to dollar flows, however is likely to remain bid around USD \$1,200 over the near-term.
- Offers through USD \$1,210 - \$1,215 will make it difficult to extend higher without further greenback weakness.
- Ahead on the data calendar today:
  - German import data
  - German employment
  - German CPI
  - U.K. mortgage applications
  - U.S. personal income / spending
  - U.S. initial jobless claims

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