



MKS PAMP GROUP

Europe / US Market Update

5th June 2018

Range Europe / US Markets

4-Jun-2018	GOLD		SILVER		PLATINUM		PALLADIUM	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
OPEN	1290.95	1291.45	16.3700	16.3900	901.20	903.20	1007.30	1012.30
HIGH	1298.15	1298.65	16.5300	16.5500	909.50	911.50	1012.00	1017.00
LOW	1290.05	1290.55	16.3700	16.3900	899.50	901.50	996.30	1001.30
CLOSE	1292.05	1292.55	16.3950	16.4150	900.70	902.70	996.30	1001.30
EFP	3.50	3.90	0.0000	0.0200	-0.50	0.50	-10.00	-5.00
LBMA Prices	AM	PM	16.440		AM	PM	AM	PM
	1294.65	1294.60			901.00	906.00	1009.00	1009.00
Active Contract	GCQ8 Comdty		SIN8 Comdty		PLN8 Comdty		PAM8 Comdty	

MACRO

- U.S. factory orders contracted during April, sliding -0.8% MoM (exp: -0.5%) to follow an upwardly revised +1.7% gain in March (prev: +1.6%).
- Durable goods orders in the U.S. sunk -1.6% MoM during April to follow two consecutive monthly increases. Transportation equipment fell -6.0% to drive the headline figure, with durable goods ex-transportation adding +0.9%.
- Core capital goods orders (non-defence ex-air) increased by +1.0%, while shipments or core capital goods improved +0.9%.
- Equities in the U.S. added to recent gains on Monday, buoyed by Friday's jobs report and a calming of political concerns in Europe.
- The Nasdaq Composite spiked +0.69% to 7,606.459 points, a fresh record closing level for the bourse.
- The DJIA jumped +0.72% to 24,813.69 points, while continued strong performances to technology stocks (+0.79%) amid soft trade among energy stocks (-0.92%) helped support the S&P 500 +0.45% higher to 2,746.87 points
- The greenback softened overnight, however bounced late in the session to pair the majority of declines. The DXY index ended the session -0.17% down after trading as much as -0.55% lower late in Europe. The AUD was the stand-out yesterday, gaining +1.07% against the dollar.



- U.S. treasury yields edged marginally higher overnight on a cooling of global tensions. The two year yield inched 3.8bps higher to 2.51% and the 10-year gained 4.4bps to 2.939%.
- European equities continued to benefit from a calmer political environment on Monday, as the majority of bourse's booked solid gains.
- The Stoxx Europe 600 ended +031% higher at 388.11 points, the German Dax tacked on +0.37% to 12,770.75 points and the Spanish IBEX 35 (+1.22%) out-performed following the change of power in Madrid.
- Oil futures saw further weakness on Monday, as concerns over OPEC supply weighed upon benchmarks. WTI slipped -1.6% to a near 8-week (front-month) low of USD \$64.75, while Brent crude sunk -2% to USD \$75.29.

PRECIOUS

- Gold saw mixed price action on Monday, pushing toward USD \$1,300 during European hours before paring gains in New York.
- Asian trade was generally heavy on Monday, however interest toward USD \$1,290 restricted any test below Friday's New York low, with mild interest out of China helping to keep pricing buoyant.
- Sentiment picked up once Europe opened, supported by strength across currency majors against the dollar, in particular the euro (moving above 1.17) and the Australian dollar.
- A modest turn higher to the greenback and bid U.S. equities weighed upon the metal in New York, seeing bullion pull back from a USD \$1,298.15 session high and closing around USD \$1.50 lower on the session.
- Palladium saw lending interest in New York to slip back underneath USD \$1,000, sliding around -1.5% from early European pricing. Platinum held a narrow range and kept the USD \$900 support intact.
- Silver once again failed to capture USD \$16.50, succumbing to offers around the figure to close flat on the session.

PRE-ASIA COMMENTS

- Price action has been muted during early Asian trade, with gold continuing to see interest toward USD \$1,290, however failing to make headway higher.
- As we saw overnight, layered offers on the way to USD \$1,300 are weighing upon any attempts higher and until we consolidate above the figure it will be difficult to entice participants back onto the long side.

Data today includes;

Markit services / composite PMI China

Markit services / composite PMI Italy

Markit services / composite PMI France

Markit services / composite PMI Germany

Markit services / composite PMI Eurozone

Markit services / composite PMI U.K.



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Eurozone retail sales
Markit services / composite PMI U.S.
ISM non-manufacturing composite PMI
U.S. JOLTS report

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