



MKS PAMP GROUP

Europe / US Market Update

18th January 2018

Range Europe / US Markets
(from Globex open)

Ranges: Europe/US Markets:

17-Jan-2018	GOLD		SILVER		PLATINUM		PALLADIUM	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
OPEN	1335.10	1335.60	17.1400	17.1700	998.00	1001.00	1100.15	1104.15
HIGH	1340.40	1340.90	17.2400	17.2700	1006.90	1009.90	1115.00	1119.00
LOW	1326.00	1326.50	17.0000	17.0200	997.40	1000.40	1100.05	1104.05
CLOSE	1326.25	1326.75	17.0000	17.0200	1006.00	1009.00	1115.00	1119.00
FFP	0.10	0.25	0.0050	0.0150	3.50	4.50	-9.00	-4.00
LBMA Prices	AM	PM	17.210		AM	PM	AM	PM
	1337.35	1335.65			1001.00	1002.00	1104.00	1104.00
Active Contract	GCG8 Comdty		SIH8 Comdty		PLJ8 Comdty		PAH8 Comdty	

MACRO:

- US equities rocketed higher despite soft earnings results by General Electric and Goldman Sachs.
- The Dow surged 322.79 points, the S&P500 rallied 26.14 points whilst the Nasdaq rose 74.59 points.
- The best performing sector was IT (+1.54%) whilst the worst was telcos (-0.26%).
- European shares were softer. The Euro STOXX eased 0.3%, the German Dax lost 0.5%. whilst the UK FTSE fell 0.4%.
- The VIX gauge lost 0.94% to 11.55.
- The dollar index rallied 0.31% to 90.672. The Euro traded down to 1.2165 whilst the USDJPY touched a high of 111.39.
- Oil prices were higher. WTI gained 0.4% to \$63.93 whilst Brent rose 0.4% to \$69.31.
- Base metals were softer with nickel the hardest hit, down 1.4%.
- The CRB index rose 0.7% to \$196.40.
- Crypto's were softer again. Bitcoin fell 4.07% to \$10,840, Ethereum lost 3.32% to \$992 whilst Bitcoin cash was smashed 10.37% to \$1,661
- US IP rose solidly, up 0.9% m/m, mainly due to capacity utilisation, at 77.9%, the highest since 2004.
- Bank of Canada hiked rates 25 bps.
- A stopgap plan to avoid a US government shutdown was being pursued.

PRECIOUS:

- A volatile 24 hours for gold trading in a near \$20 range from the open of Asia to the close on NY.



- Asia were buyers from the opening bell squeezing XAU up to 1243.90.
- China had demand with the SGE premium sitting around \$7.
- After trading to the days highs the yellow metal began to drift lower and stop loss selling hammered the market down to the mid 1330's.
- London were initial buyers but the market was unable to gain upside traction and drifted back down to 1335.
- NY was volatile with gold trading down to 1332 following the better than expected IP number, only to reverse higher skyrocketing north of 1340.
- The fun didn't stop there, and after trading through 1340, the market was hammered in late trade dropping \$14 to close the session on the lows at 1326.50.
- Silver also succumbed to profit taking trading down towards the psychological 17 level which is where it closed.
- The Philadelphia gold and silver index lost 1.27%.
- The SPDR gold trust holdings were unchanged at 828.9 metric tons.

PRE-ASIA COMMENTS:

- Asian equities open higher following Wall Street's stellar session.
- Gold edges higher in early trade following the capitulation late in the US session.
- Ahead today:
 - AUD unemployment rate
 - China GDP
 - China retail sales
 - China IP
 - US housing starts
 - US initial jobless claims
 - US building permits

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