



**Ranges: Europe/US Markets**

3-Jul-17	GOLD		SILVER		PLATINUM		PALLADIUM	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
OPEN	1237.70	1238.20	16.6000	16.6300	920.50	923.50	844.85	850.85
HIGH	1237.90	1238.40	16.6050	16.6350	920.50	923.50	845.35	851.35
LOW	1219.10	1219.60	16.1050	16.1350	901.00	904.00	842.65	845.65
CLOSE	1222.03	1222.53	16.12	16.15	901.00	904.00	845.00	850.00
FFP	-0.30	-0.20	-0.0200	-0.0100	1.50	4.50	-8.00	-2.00
LBMA Prices AM/PM	1235.20	1229.25	16.48		919.00	911.00	843.00	838.00
Active Contract	GCQ7 Comdty		SIU7 Comdty		PLV7 Comdty		PAU7 Comdty	

**MACRO:**

- US equities started the new financial year strongly, aided by firm banking and energy stocks.
- The Dow Jones rallied 129.64 points, the S&P500 climbed 5.6 points whilst the tech heavy Nasdaq finished the session lower, down 30.36 points.
- Energy (+2.01%) and financials (+1.34%) were the best performers, whilst tech (-0.85%) and utilities (-0.54%) were the laggards.
- European stocks were also higher. The EUR STOXX was 1.5% higher, the German Dax rose 1.2% whilst the UK FTSE was 0.9% higher.
- The VIX gauge gained 0.36% to 11.22.
- The dollar index firmed 0.6% to 96.196.
- The EUR traded down to a low of 1.1355 whilst the AUD touched a low of 0.7644.
- Energy prices were higher. WTI rallied 1.8% to \$47.00 whilst Brent jumped 1.5% to \$49.57.
- Base metals were mixed. Nickel was the worst performer, down 0.6% whilst zinc was the stand-out, up 1.8%.
- US treasury yields were higher. 2 year bonds were 2 bps higher to 1.41% whilst 10 bonds were 2.5 bps higher to 2.35%.
- US manufacturing ISM rose to 57.8 from 54.9, the highest level since August 2014
- US holiday for Independence Day should keep things quiet

**PRECIOUS:**

- Gold touches its lowest level in nearly 2 months.
- Higher yields, risk on, firmer greenback and hawkish sentiment by central bankers have all weighed on the yellow metal.
- As China opened yesterday, XAU began to slide lower pushing under 1240 and continued its descent over the course of the day.
- Traders had their eye on the 1236 level which was the low following the 'fat finger' trade last week, but persistent offers pushed the market through the level with the 200dma (1232) the next level on the downside.
- Once 1232 was given a tirade of stops pushed the metal sub 1230 down to a low of 1225 before a bid could be seen.
- Gold traded heavily for the rest of the session closing near the lows.
- Silver also slumped overnight falling close to 50 cents down to a low of 16.135.
- Palladium was once again the star performer, managing to trade within a \$3 range despite the carnage in the other metals.



- The Philadelphia Gold and Silver index fell 2.19%.
- SPDR gold holdings fell 0.73% to 846.29 metric tons.

**PRE-ASIA COMMENTS:**

- Gold edges higher in early trade after the vicious sell off overnight.
- Asian equities open well bid following Wall Street's lead.
- Ahead today:
  - Reserve Bank of Australia rate decision
  - Euro zone PPI
  - Canadian market manufacturing PMI