



MKS PAMP GROUP

Europe / US Market Update

4th September 2017

Range Europe / US Markets
(from Globex open)

Ranges: Europe/US Markets:

1-Sep-2017	GOLD		SILVER		PLATINUM		PALLADIUM	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
OPEN	1319.40	1319.90	17.5100	17.5400	994.70	997.70	934.30	938.30
HIGH	1329.00	1329.50	17.7400	17.7700	1007.70	1010.70	980.35	984.35
LOW	1316.05	1316.55	17.4300	17.4600	994.10	997.10	934.30	938.30
CLOSE	1325.28	1325.78	17.7100	17.7400	1006.50	1009.50	980.35	984.35
EEP	5.10	5.25	0.0600	0.0700	2.50	3.50	-7.00	-3.00
LBMA Prices	AM	PM	17.500		AM	PM	AM	PM
	1318.40	1320.40			997.00	999.00	934.00	946.00
Active Contract	GCZ7 Comdty		SIZ7 Comdty		PLV7 Comdty		PAZ7 Comdty	

MACRO:

- North Korea dominating headlines over the weekend following the detonation of a hydrogen bomb.
- Experts reported that the tremors were ten times as powerful as North Korea's previous nuclear test last September.
- President Trump has not ruled out a strike against the North noting that the nuclear test was "very hostile and dangerous to the United States".
- US equities finished the week higher following the weaker than expected NFP's which could deter the Fed's desire to hike rates.
- The Dow Jones climbed 39.46 points, the S&P500 rose 4.90 points whilst the Nasdaq gained 6.67 points.
- European equities were higher. The Euro STOXX rallied 0.7%, the German Dax jumped 0.7% whilst the UK FTSE rose 0.1%.
- The VIX gauge fell 4.34% to 10.13.
- The dollar index rallied 0.16% to 92.814. The EUR traded down to 1.1849 (after trading as high as 1.1980), whilst the USDJPY traded up to 110.50 (after trading as low as 109.56).
- US treasury yields were higher. The 2 year yield rose 1.7 bps to 1.342% whilst 10 year yields gained 3.8 bps to 2.166%.
- Oil prices were higher. WTI rallied 0.8% whilst Brent jumped 0.1% to \$52.75.
- The CRB index was flat at 180.95.
- Base metals were higher, with nickel the best performer, up 2%.
- US NFP's were below expectations at 156k (exp 180k).
- US ISM rose to the highest level since 2011 at 58.8 (exp 56.5).

PRECIOUS:

- On Friday Asia opened around 1322 in what was a very quiet session ahead of the NFP's.
- Some light selling pressured the yellow metal lower, briefly trading under 1320.



- The SGE premium was at a lowly \$3 over loco London putting topside pressure on XAU.
- London trade was equally quiet with traders sitting on the sidelines ahead of the key US data.
- With NFP's worse than expected, the metal shot higher, only to be met by profit taking selling gold to new daily lows.
- The remainder of the session saw gold claw its way higher closing near recent highs.
- Silver also performed stoically closing near the session highs.
- Palladium was the best performer soaring close to \$50 up to a high of 980.35.
- The Philadelphia gold and silver index rallied 0.46%.

PRE-ASIA COMMENTS:

- Gold opens higher following North Korea's nuclear test over the weekend.
- Asian equities open in the red.
- Ahead today:
UK construction PMI
Euro zone PPI

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