



MKS PAMP GROUP
Europe / US Market Update
5th February 2018

Range Europe / US Markets
(from Globex open)

Ranges: Europe/US Markets:

1-Feb-18	GOLD		SILVER		PLATINUM		PALLADIUM	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
OPEN	1346.50	1347.00	17.1950	17.2250	1004.00	1007.00	1039.00	1041.00
HIGH	1350.25	1350.75	17.2500	17.2800	1007.50	1010.50	1046.00	1049.00
LOW	1327.500	1328.00	16.5600	16.5900	987.00	991.00	1037.00	1041.00
CLOSE	1333.50	1334.00	16.6000	16.6300	989.00	993.00	1044.00	1047.00
EFP	2.80	2.90	-3.5	-2.50	3.25	4.25	-8	-3
LBMA Prices	AM	PM	17.135		AM	PM	AM	PM
	1345	1331.15			1003.00	997.00	1047	1047.00
Active Contract	GCJ8 Comdty		SIH8 Comdty		PLJ8 Comdty		PAH8 Comdty	

MACRO:

- US equities were hammered on Friday suffering their biggest one day loss in over a year.
- The Dow sank 666 points, the S&P500 collapsed 59.85 points whilst the Nasdaq dumped 145 points.
- The best performing sector was utilities (-0.72%) whilst energy was the worst (-4.13%).
- European stocks were also softer. The Euro STOXX sank 2.4%, the German Dax lost 3.1% whilst the UK FTSE declined 1.2%.
- The VIX gauge surged 28.51% to 17.31.
- The dollar index jumped 0.59% to 89.195. The EUR traded to a low of 1.2409 whilst the USDJPY touched a high of 110.48.
- US treasury yields were mixed. The 2 year yield eased 2.8 bps to 2.141% whilst the 10 year yield rallied 5.3 bps to 2.841%.
- Oil prices were softer. WTI fell 1% to \$65.45 whilst Brent dropped 1.8% to \$68.58.
- Base metals were weaker across the board with nickel leading the losses, down 3.7%.
- The CRB index posted a gain of 0.5% to 198.35.
- NFP's posted a gain of 200,000 for January versus 180,000 expected.
- Unemployment rate was steady 4.1%.
- Average hourly earnings lifted to 2.9%

PRECIOUS:

- A heavy day for the precious with gold trading as low as 1328.
- Asia opened towards the days highs with some light demand pushing the metal just north of 1350.
- London were light sellers with gold retreating back under 1350 edging back down to the mid 1340's prior to the NFP release.



- When the NFP was released 200k vs 180k, gold plunged to 1335 initially then another wave of selling took the metal sub 1330.
- When the EUR found a bid late NY, gold edged higher back above 1350, but resting offers sold the market pushing the metal back down to the lows.
- The latest COTR report shows the net commercial longs were down for the week for the first time in two months.
- Silver was hammered 3.6% to a low of 16.59.
- PGM's held reasonably firm considering the blood bath in both gold and silver.
- The Philadelphia gold and silver index slumped 4.25%.

PRE-ASIA COMMENTS:

- Gold continues to trade softly in early trade.
- Asian equities open considerably softer following Wall Street's blood bath.
- Ahead today:
 - Japan PMI composite
 - China Caixin PMI composite
 - UK composite PMI
 - US ISM non manufacturing composite
 - Draghi speaks

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