



Ranges: Europe US Markets:

5-Jul-17	GOLD		SILVER		PLATINUM		PALLADIUM	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
OPEN	1225.60	1226.10	16.1450	16.1750	909.30	912.30	856.00	862.00
HIGH	1226.00	1226.50	16.1600	16.1900	910.50	913.50	856.00	862.00
LOW	1217.30	1217.80	15.8900	15.9200	899.90	902.90	839.85	845.85
CLOSE	1225.91	1226.41	16.05	16.08	909.80	912.80	840.47	845.47
EFP	-0.50	-0.40	-0.0300	-0.0200	1.00	2.00	-8.00	-2.00
LBMA Prices AM/PM	1221.90	1220.30	15.95		907.00	901.00	855.00	841.00
Active Contract	GCQ7 Comdty		SIU7 Comdty		PLV7 Comdty		PAU7 Comdty	

MACRO:

- US Ambassador to the UN threatened war if North Korea does not curb its nuclear and missile programs.
- Both Russia and China condemned North Korea's missile test, but firmly ruled out the use of force as a solution.
- US equities were mostly higher as the tech sector rallied.
- The Dow Jones slipped 1.1 points, the S&P 500 rose 3.53 points, whilst the Nasdaq rallied 40.79 points.
- There were wins for tech (+1.04%) and healthcare (+0.54%) while energy (-2.01%) and REIT's (-1.21%) led the laggards.
- The VIX gauge lost 1.34% to 11.07.
- The US dollar index firmed 0.03% to 96.243, the EUR traded down to 1.315, while USD/JPY traded up to 113.66.
- US treasury yields were lower, 2 year yields retreated 0.38 bps to 1.4063% whilst 10 year yields shed 2.49 bps to 2.3249%.
- Oil markets plunged on the news that Russia will oppose any attempts to increase OPEC production cuts already in effect.
- Brent slumped 3.47% to \$47.89 while WTI slid 3.91% to \$45.23.
- Base metals were mostly lower, with copper (-0.87%) leading the way down.
- In US economic data, factory orders fell 0.8% in May following a 0.3% decline in April.
- Minutes of the June FOMC meeting showed that several members were in favour of beginning to reduce the \$4.5 trillion balance sheet within the next couple of months, though some were waiting for proof inflation would pick up sufficiently.

PRECIOUS:

- Gold was well bid through the AM session in Asia as USD/JPY dropped below 113.
- SGE premium around \$9-10 saw decent buying out of China.
- The yellow metal reached \$1228.50 before slipping as the dollar rebounded.
- London open saw the metal sold to the low of \$1217 in increasingly choppy trading.
- Whippy trade during NY hours ultimately saw the metal pick up \$8 from the low and closed in positive territory at \$1225.



- Silver dipped below the psychological \$16 level for the first time since early Jan before closing flat at \$16.05.
- Platinum dipped below the \$900 before recovering to close flat while palladium lost ground to finish at \$840.
- The Philadelphia gold and silver index added 1.08%.
- The SPDR Gold Trust ETF sold 180koz overnight.

PRE-ASIA COMMENTS:

- Gold is flat in choppy trading this morning.
- Ahead today:
 - US ADP employment
 - US Weekly jobless claims
 - US Trade Deficit
 - US Markit Services PMI
 - US ISM non-manufacturing index
 - EU ECB monetary policy meeting accounts
 - Germany Factory Orders
 - Germany Construction PMI
 - AU Balance of trade