



MKS PAMP GROUP

Europe / US Market Update

7th September 2017

Range Europe / US Markets
(from Globex open)

Ranges: Europe/US Markets:

6-Sep-2017	GOLD		SILVER		PLATINUM		PALLADIUM	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
OPEN	1338.20	1338.70	17.8800	17.9100	1004.30	1007.30	960.50	965.50
HIGH	1341.40	1341.90	17.9800	18.0100	1013.00	1016.00	965.50	970.50
LOW	1331.30	1331.80	17.7925	17.8225	998.50	1001.50	933.00	938.00
CLOSE	1333.80	1334.30	17.8500	17.8800	1002.00	1005.00	940.00	945.00
FFP	4.95	5.05	0.0650	0.0750	2.50	3.50	-8.00	-3.00
LBMA Prices	AM	PM	17.7700		AM	PM	AM	PM
	1340.15	1337.85			1008.00	1011.00	966.00	957.00
Active Contract	GCZ7 Comdty		SIZ7 Comdty		PLV7 Comdty		PAZ7 Comdty	

MACRO:

- US equities were marginally higher as US congress and Trump agreed to extend the debt limit deadline and fund the government through to 15th December.
- The Dow Jones gained 54.33 points, the S&P500 climbed 7.69 points whilst the Nasdaq rose 17.74 points.
- The best performing sector was energy (+1.64%) whilst the worst were telcos, down 1.23%.
- Fed Vice Chair Fischer resigned overnight, effective mid October due to personal reasons.
- European shares were mixed. The Euro STOXX rallied 0.4%, the German Dax jumped 0.7% whilst the UK FTSE fell 0.3%.
- The VIX gauge fell 4.91% to 11.63.
- The dollar index lost 0.01% to 92.239. The EUR touched a high 1.1950 whilst the USDJPY traded down to 108.45.
- Oil prices were higher. WTI rose 1.2% to \$49.18 whilst Brent jumped 1.9% to \$54.19.
- US treasury yields were higher. The 2 year yield rose 1 bps to 1.30% whilst the 10 year yield gained 3.5 bps to 2.105%.
- Base metals were firmer with Nickel leading the charge, up 2.3%.
- The CRB index rose 0.4% to 183.00.
- The Bank of Canada unexpectedly raised rates by 25bps to 1%.
- The US August ISM non manufacturing composite index rose in August.
- The US trade deficit was little changed with both exports and imports slightly lower.

PRECIOUS:

- Gold succumbed to profit taking late in the session.
- Asia were early buyers pushing the yellow metal up to the day's highs prior to the Chinese open.
- China were on the offer with the SGE premium sitting around \$3 over loco London.



- In European trade, further North Korean headlines gave the market a bid, pushing the market back above 1340.
- NY trade was quiet for the first few hours of trade but a late sell off saw gold push lower, trading down to the session lows 1331.80.
- Silver tried on multiple occasions to push through the psychological 18 barrier but was unable to do so.
- Platinum also suffered from profit taking, trading back under 1,000.
- Palladium is the worst performing precious metal of late, falling further overnight, trading to a low of 938 (the metal traded above 1,000 on Monday).
- The Philadelphia Gold and Silver index fell 1.14%.
- SPDR gold trust holdings fell 0.35% to 837.12 metric tons.

PRE-ASIA COMMENTS:

- Gold trades sideways in early trade.
- Asian equities open higher following Wall Street's lead.
- Ahead today:
 - Australia Retail Sales/Trade Balance
 - Germany/Norway IP
 - Switzerland Foreign Currency Reserves
 - Malaysia BNM
 - UK House Prices
 - Sweden Riksbank Decision
 - Eurozone GDP
 - South Africa Mfg Prod
 - Eurozone ECB
 - Canada Building Permits
 - US Initial Jobless Claims
 - Mexico CPI
 - US Federal Reserve Mester Speech

Although the information in this report has been obtained from and is based upon sources MKS believes to be reliable, we do not guarantee its accuracy and it may be incomplete or condensed. All opinions and estimates constitute MKS' judgment as of the date of this report and are subject to change without notice. This report is for informational purposes only and is not intended as investment advice, offer or solicitation for the purchase or sale of an investment. This report does not consider or take into account the investment objectives or financial situation of a particular party.



MKS PAMP
GROUP