



MKS PAMP
GROUP

Europe/US Market Update - 13th March 2020



Europe/US Markets (from Globex open)

12-Mar-20	GOLD		SILVER		PLATINUM		PALLADIUM	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
OPEN	1637.10	1637.60	16.6125	16.6325	863.50	866.50	2221.00	2241.00
HIGH	1645.60	1646.10	16.7600	16.7800	863.50	866.50	2262.50	2282.50
LOW	1560.90	1561.40	15.5275	15.5475	752.00	755.00	1656.00	1676.00
CLOSE	1577.90	1578.40	15.8075	15.8275	765.00	767.00	1851.00	1871.00
EFP	-0.30	-0.20	-0.0350	-0.0150	-2.00	0.00	-110.00	-80.00
Active Contract	GC10 Comdty		SI10 Comdty		PL10 Comdty		PA10 Comdty	

MACRO

- Chaos on Wall Street on Thursday as coronavirus fears gripped markets and President Trump announced a 3-day travel ban from most of Europe.
- U.S. markets officially ended the largest bull run in history as all three of the major bourses fell into bear market territory (DJIA was in a bear market on Wednesday)
- The DJIA tanked a staggering -9.99% to 21,200.62 points, the S&P 500 plummeted -9.51% to 2,480.64 and the Nasdaq Composite cratered -9.43% to 7,201.801
- Thursday's session was the worst performance by the S&P 500 since October 19, 1987 - referred to as 'Black Monday'
- Energy (-12.3%) and financial stocks (-10.77%) led declines.
- The greenback found favour (DXY +0.90%) on Thursday to make notable gains relative to the Euro (Euro/USD -0.69%) as the ECB increased stimulus measures.
- Treasury yields saw volatile price action to finish mixed as the two-year declined 4bps to 0.469% and the 10-year ended flat toward 0.80%.

PRECIOUS

- The panic driven long liquidation continued on Thursday as gold collapsed through USD

\$1,600.

- The supposed 'safe-haven' was anything but as participants off-loaded positioning and sold the metal to a USD \$1,560 low, almost -3.5% down.
- The metal now sits precariously close to the recent supportive level of USD \$1,550.
- Silver collapsed -5.5% to test USD \$15.50, moving sharply lower in tandem with gold.
- The main mover on Thursday was however palladium, cratering a staggering -20% as bids evaporated. The metal touched session low of USD \$1,656, at that time around -30% down on the day, before recovering into the close.
- Platinum also traded well offered to book an -11% fall on the session.

PRE-ASIA COMMENTS

- Gold has benefited from a small bid leading into the Chinese open, pushing above USD \$1,580.
- Regional equities are all markedly lower, while U.S. stock futures sit deeply in the red.
- Ahead today:
- German CPI
- U.S. import prices
- University of Michigan consumer sentiment

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.