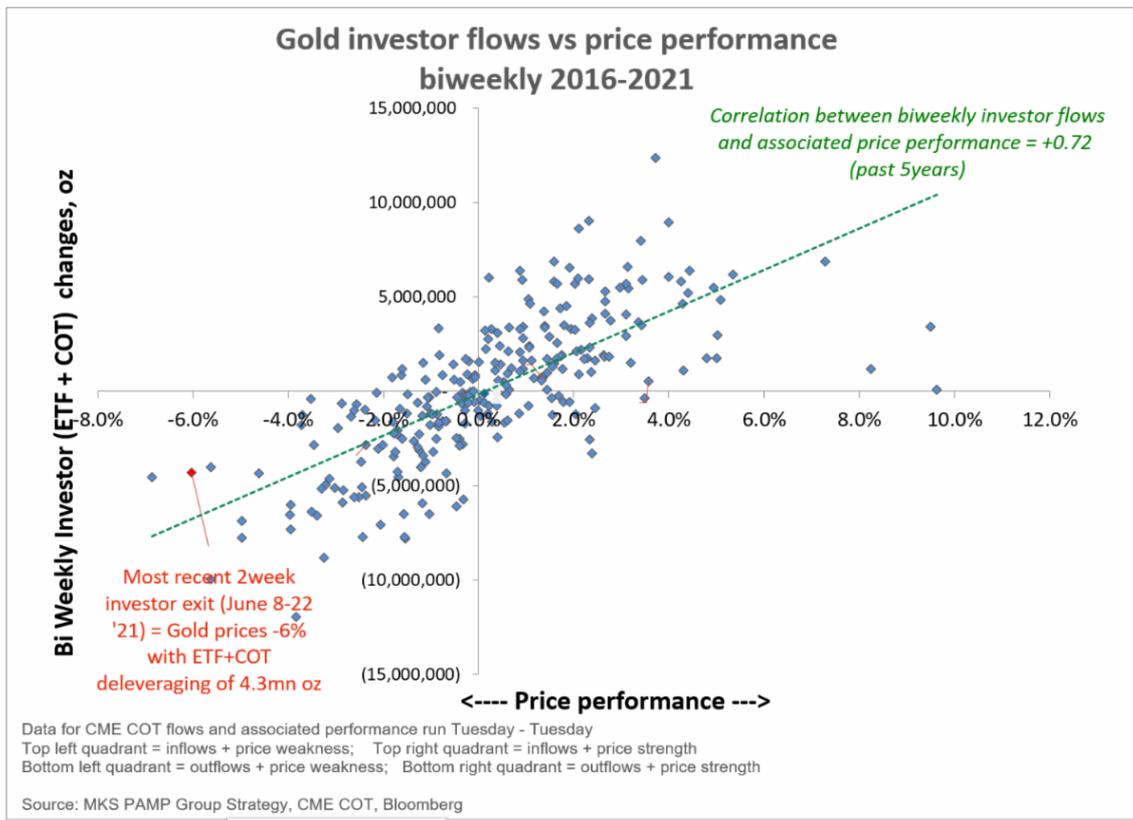


Daily U.S / European Wrap



CFTC Reporting Week: Tuesday 06/15/2021 - 06/22/2021						
PRECIOUS	ETF Flow (Precious - oz)	COT Flow (Precious - oz, HG - lbs)	ETF + COT Flow	\$ Notional worth	Associated Price change	Current COT Holdings (Precious - oz, HG - lbs)
Gold	46,750	(3,425,600)	(3,378,850)	\$ (6,017,055,617)	-4.3%	6,253,600
Silver	(11,573,392)	(73,665,000)	(85,238,392)	\$ (2,227,577,515)	-6.8%	147,660,000
Platinum	674	(384,100)	(383,426)	\$ (422,076,935)	-6.7%	70,600
Palladium	9,846	(160,900)	(151,054)	\$ (404,962,354)	-7.3%	223,700
HG Copper		(28,075,000)	(28,075,000)	\$ (120,090,813)	-3.6%	481,650,000

Focus on Gold recent COT flows – are outflows and the associated price action, fair?

- The hawkish FOMC erased \$150 or -4.3% of Golds inflation premium, as it repriced from \$1900 to \$1750, taking out a total of 3.4mn oz of investor length (COT + ETF) during the CFTC week that covers the FOMC (06/15-06/22). Table 1
- The specific COT weekly exit of -3.4mn oz, is large but it doesn't rank as the top 10 largest investor exits the past 5years (that usually ranges between -5-6mn oz). Part of the fast money exit was also offset by ETF inflows (of almost 50K oz), yet prices fell 4.3% WoW or 6% over the biweekly period leading into the FOMC. Is that fair?
- Graph 1 shows the *biweekly* total investor (COT + ETF) flows vs gold price performance over the same period, highlighting the most recent data point (red). Its clearly not a major outlier, and golds been subjected to much larger onslaughts where investors (ETF +COT) would dump 8-12mn oz of Gold in 2weeks (in years 2016 & 2017).
- Clearly there's a close/strong correlation of +0.72 the past 5years between flows and price performance. **Using a simple regression, golds recent -4.3mn oz biweekly purge should have only resulted in a 2% drop; this is clearly an (unfair) overshoot which highlights some muted physical support form the East.**

METALS	GCQ1 Comcity	SIN1 Comcity	PL1 Comcity	PAU1 Comcity	HGR1 Comcity
Active contract	Gold - GCQ1 (\$/oz)	Silver - SIN1 (\$/oz)	Platinum - PL1 (\$/oz)	Palladium - PAU1 (\$/oz)	HG Copper (\$/lbs)
Open	\$ 1,782.00	\$ 26.19	\$ 1,108.90	\$ 2,634.00	\$ 4.28
High	\$ 1,786.10	\$ 26.30	\$ 1,113.70	\$ 2,704.50	\$ 4.31
Low	\$ 1,770.40	\$ 25.85	\$ 1,090.90	\$ 2,630.00	\$ 4.25
Settlement	\$ 1,780.70	\$ 26.22	\$ 1,097.60	\$ 2,699.40	\$ 4.28
Price range	\$ 15.70	\$ 0.45	\$ 22.80	\$ 74.50	\$ 0.05
1day net change	\$ 1.30	\$ 0.11	\$ (10.00)	\$ 49.80	\$ (1.40)
1day % change	0.1%	0.4%	-0.9%	1.9%	-0.3%
5 day % change	-0.2%	0.7%	4.1%	5.0%	2.2%

MACRO	SPX	DXY	EUR	10yr yields	WTI
Last Price	4281.02	91.89	1.19	1.48	72.85
1day % change	0.2%	0.0%	-0.1%	-3.1%	-1.6%
5 day % change	1.3%	0.0%	0.0%	-0.8%	-1.1%

PRECIOUS FLOWS	ETF HOLDINGS & FLOWS (oz)			FUTURES HOLDINGS & FLOWS (# of contracts)		
Flows (oz)	Lastest ETF Holdings	1day change	5day change	Aggregate Open Interest	1 day O.I change in active contract	Aggregate Futures Volume
	Gold	100,919,945	(18,359)	(347,777)	450,374	(456)
Silver	923,296,369	(1,466,008)	(11,421,141)	170,576	(9,917)	84,860
Platinum	3,971,724	911	13,166	60,065	(4,138)	25,034
Palladium	545,089	(576)	7,281	9,081	(40)	1,115

Source: Bloomberg, CME, MKS PAMP Group

Last Updated: 4PM E.T

DAILY wrap:

- After US stocks oscillated throughout most of the session, they moved higher on news that Facebook won dismissal of two monopoly lawsuits, **with both S&P500 & Nasdaq closing on another record high to put NFP week in a bullish risk spirit; stocks are on track for one of their best first halves in history.** Some specific travel stocks were hit as governments from Europe to Asia imposed new limits on travel from Britain (which is seeing a spike in delta virus cases).
- US 10yr yields foray above the pivotal 1.50% on Friday proved to be short-lived as it fell back below 1.48% given some hesitancy to reload shorts ahead of the jobs report. The USD was also rather contained, keeping below 92.
- It was a lackluster day in Precious with contained sideways trading across both Gold and Silver, clinging to \$1780/oz and either side of \$26/oz respectively. Platinum came under pressure falling back through \$1100 given ZAR weakness as SA moves to level 4 lockdown (its second-highest, from Sunday). Palladium remains well bid climbing toward old support (new resistance) around \$2730.

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