



MKS PAMP
GROUP

Europe/US Market Update - 28th February 2020



Europe/US Markets (from Globex open)

27-Feb-20	GOLD		SILVER		PLATINUM		PALLADIUM	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
OPEN	1648.10	1648.60	18.0450	18.0650	923.50	926.50	2834.00	2854.00
HIGH	1660.40	1660.90	18.1050	18.1250	923.50	926.50	2852.50	2872.50
LOW	1635.30	1635.80	17.6200	17.6400	898.50	901.50	2736.00	2756.00
CLOSE	1644.20	1644.70	17.7500	17.7700	901.50	904.50	2850.00	2870.00
AFP	1.65	1.75	-0.0600	-0.0400	0.00	2.00	-80.00	-50.00
Active Contract	GCJ0 Comdty		SIH0 Comdty		PLF0 Comdty		PAH0 Comdty	

MACRO

- Stocks in the U.S. cratered on Thursday, extending a four-day losing streak that saw major bourses enter correction territory.
- The DJIA collapsed a staggering 1,190.95 points or -4.42% to 25,766.64 points, the S&P 500 tanked -4.42% to 2,978.76 points, while the Nasdaq Composite sunk -4.61% to 8,566.48 points.
- The DJIA is down -11.13% in the past four days, the worst such result since October 2008, while the S&P 500 is down -12.04% over the same period.
- The VIX gauge ripped 42.09% higher to 39.16
- The greenback accelerated declines (DXY -0.75%) on the back of the flight to safety, handing back -0.75% against the Japanese Yen, while the Euro spiked +1.1% to test above 1.10.
- Treasury yields moved lower once again to see the two-year down 10bps to 1.065%, while the 10-year printed a fresh all-time low to lose 7.7bps and finish at 1.264%.
- Stocks in Europe were hit hard to see the Stoxx Europe 600 -3.75% down to 389.45 points, the German Dax fell -3.19% to 12,367.46 points, while in London the FTSE 100 sunk -3.49% to 6,796.40 points
- Oil futures continued to slide, seeing WTI fall -4.88% to USD \$46.39 per barrel, while Brent

Crude declined -3.69% to USD \$51.56 per barrel.

- U.S. 4Q GDP was in-line with estimates at +2.1%, while core PCE eased modestly to +1.2% from +1.3% previously.
- U.S. durable goods orders outpaced expectations to ease -0.2% (exp: -1.4%) from +2.9% previously, while capital goods orders (non-defence ex-air) firmed +1.1% during January (exp: +0.1%) from -0.5% previously.

PRECIOUS

- Another range-bound session for gold, with bullion once again failing to catch a bid as global equities collapsed.
- Asian trade saw steady interest take bullion toward USD \$1,650, however a lack of follow through interest and resting offers capped any further moves higher.
- Early European declines tested a move back toward USD \$1,640, whereby resting interest restricted any declines underneath the level.
- Weakness in New York was once again evident, even amid declining U.S. yields and equities. The yellow metal sharply reversed a move toward USD \$1,650, extending declines to a USD \$1,635.30 session low on a stop loss break underneath USD \$1,640
- The metal continues to see a band of interest through USD \$1,625 - \$1,635, however has failed to break higher as participants layer offers toward USD \$1,650 - \$1,660.
- Silver continued to trade offered on Thursday, unable to hang onto the USD \$18 handle, trading to a USD \$17.62 session low.
- Platinum remains heavy toward USD \$900 and looks like breaking the figure.
- Palladium pushes to fresh record highs above USD \$2,850

PRE-ASIA COMMENTS

- Gold seeing interest in early Chinese trade.
- Ahead today:
- Germany employment data
- Germany CPI
- U.S. wholesale inventories
- U.S. personal income / spending
- U.S. PCE deflator
- MNI Chicago PMI
- University of Michigan consumer sentiment

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