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Precious Metals Forecast 2020

Outlook

Precious Metals Key Drivers

Geopolitics:

The ongoing geopolitical instability on various fronts in the Middle East will remain a key concern throughout 2020. The trade war between the US and China has somewhat eased but shall remain a major concern in the coming months, rhetorical ups and downs to add sporadic volatility to the market.

Politics:

The US elections will add some volatility and uncertainties to the market.

Economics:

Global real growth is set to remain under pressure, at least the first half of the year. A gentle recovery is possible toward the very end of the year into 2021. Interest rates to remain low and negative in some parts of the world. A weaker USD would add support to the precious metals compound.

Precious Metals Highlights:

Gold to remain the asset of choice against geopolitical and political triggered volatility and uncertainties. More upside is expected.

Palladium to continue its unstoppable race to the sky as the supply deficit persists.

Silver to build a base around 18.00 USD/Ounce and to move marginally higher.

We expect more volatility and more volumes in precious metals trading throughout 2020.



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MKS PAMP GROUP - Gold Forecast 2020

Low 2020	High 2020	Average 2020
1520.00 USD/ Ounce	1780.00 USD/ Ounce	1636.00 USD/ Ounce

Gold ended the year 18.4% higher and is expected to remain on track in 2020. Global real growth is set to remain under pressure. Interest rates are not expected to change significantly and will likely remain negative in some parts of the world. The key factors moving gold this year shall be geopolitics and politics. The ongoing tensions in Middle East need to be followed closely and shall remain one of the key drivers for Gold. The US presidential elections could trigger additional volatility to precious metals and to the USD which could marginally weaken. We expect central banks to remain net buyers of Gold this year again. In this complex environment, Gold shall remain an asset of choice against market risks. We expect Gold to move higher throughout the year and to trade with elevated volatility.

We expect Gold to peak at 1780.00 USD/Ounce.

MKS PAMP GROUP - Silver Forecast 2020

Low 2020	High 2020	Average 2020
17.50 USD/ Ounce	21.00 USD/ Ounce	18.62 USD/ Ounce

Silver underperformed Gold ending the year around 16.90% higher. This year we are mildly bullish and expect Silver to attract some speculative interest and to gain some ground building a solid base around the 18.00 USD/Ounce level. Silver could regain a bit of shine and move again in the shadow of Gold. While fundamentals seem to be slightly brighter, they are still not shining. Silver will attempt to further recover, yet shall remain very volatile and prone to corrections on the back of speculative profit taking as it moves higher. We expect a few erratic Silver trading sessions during the course of 2020.

We see Silver averaging 18.62 USD/Ounce and to peak at 21.00 USD/Ounce in 2020



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MKS PAMP GROUP - Platinum Forecast 2020

Low 2020	High 2020	Average 2020
920.00 USD/ Ounce	1080.00 USD/ Ounce	981.00 USD/ Ounce

After a 15% price decline in 2018, Platinum recovered in 2019 ending the year at almost 22% higher. Platinum will be in a supply surplus throughout the year. The diesel automotive sector market continues to be under pressure and global growth is expected to slow down over the short medium term, a few key factors that will prevent Platinum from rallying substantially. On the other hand, we might face some increased investment and speculative demand, as Platinum continues to trade at a large discount to Palladium. We expect this non-industrial demand to keep the market nearly balanced. Platinum could move slightly higher over the course of the year yet, remaining vulnerable, should we experience a short-lived correction in Palladium. **We see Platinum averaging 981.00 USD/Ounce and to peak at 1080.00 USD/Ounce in 2020**

MKS PAMP GROUP – Palladium Forecast 2020

Low 2020	High 2020	Average 2020
1940.00 USD/ Ounce	2450.00 USD/ Ounce	2288.00 USD/ Ounce

Palladium was unstoppable in 2019, out-performing the other precious metals and closing the year over 52% higher. All key factors that propelled Palladium to new highs in 2019 remain in place in 2020. The slower global growth and the declining global demand for cars shall be widely offset by the ongoing supply deficit, the increasing shift to petroleum cars, the more stringent regulations to reduce harmful emissions and the ongoing risk for further disruption in supply. We don't believe that the all-time high level will be a deterrent for fresh buying! The risk on the down side lies with some speculative profit taking, but any correction should be met with aggressive buying and remain short-lived. We expect Palladium to remain in the spotlight again this year!

We see Palladium averaging 2288.00 USD/Ounce and to peak at 2450.00 USD/Ounce in 2020



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MKS PAMP GROUP - 2020 Precious Metals Forecast Summary

MKS PAMP GROUP PRECIOUS METALS FCST SUMMARY 2020				
2020	FIXING 02 JAN 2020 USD/OZ	LOW FIXING MKS USD/OZ	HIGH FIXING MKS USD/OZ	AVERAGE FIXING USD/OZ
XAU	1520.55	1520.00	1780.00	1636.00
XAG	17.9250	17.5000	21.0000	18.6200
XPT	981.00	920.00	1080.00	981.00
XPD	1950.00	1940.00	2450.00	2288.00

MKS PAMP GROUP - 2019 Precious Metals Forecast Review

MKS PAMP GROUP 2019 FORECAST vs. LONDON FIXING						
2019	FCST LOW MKS USD/OZ	FCST HIGH MKS USD/OZ	FCST AVERAGE MKS USD/OZ	LOW FIX USD/OZ	HIGH FIX USD/OZ	AVERAGE FIX USD/OZ
XAU	1240.00	1460.00	1335.00	1270.05	1541.75	1392.60
XAG	15.0000	17.5000	16.6250	14.3000	19.3050	16.2000
XPT	750.00	900.00	855.00	782.00	982.00	862.90
XPD	1250.00	1420.00	1360.00	1261.00	1990.00	1536.74

2019 PRECIOUS METALS PERFORMANCE – LBMA FIXING				
2019	FIXING 02 JAN 2019 USD/OZ	FIXING 31 DEC 2019 USD/OZ	2019 PERFORMANCE %	2019 Range High-Low Fix USD
XAU	1287.20	1523.00	18.32	271.70
XAG	15.4400	18.0450	16.87	5.0050
XPT	796.00	971.00	21.98	200.00
XPD	1263.00	1920.00	52.02	729.00

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