



MKS PAMP
GROUP

Daily Asia Wrap - 10th November 2020



Range Asian Hours
(from Globex open)

	GOLD	SILVER	PLATINUM	PALLADIUM
OPEN	1863.10/70	24.06/09	871/74	2473/03
HIGH	1884.50/10	24.33/36	873/76	2484/14
LOW	1860.40/00	24.00/03	867/70	2468/98
LAST	1882.60/20	24.15/18	872/75	2473/03

MARKETS/MACRO

Global equities surged higher on news from Pfizer and BioNTech that studies have shown their experimental COVID-19 vaccine could be more than 90% effective. The Dow added 834.57 points, or 2.95%, to 29,157.97, the S&P 500 gained 41.06 points, or 1.17%, to 3,550.16, while the Nasdaq fell 181.45 points, or 1.53%, to 11,713.78. Huge wins for the energy (+14.22%) and financials (+8.17%) sectors, while consumer discretionary (-1.59%) led the laggards. European equities surged higher on the vaccine news, the EuroSTOXX put on 14.59 points, or 3.98%, to 380.99, the German DAX climbed 615.95 points, or 4.94%, to 13,095.97, and the London FTSE 100 jumped 276.27 points, or 4.67%, to 6,186.29. In the currencies, the US dollar index firmed 0.64% to 92.83, the EUR was down to 1.1807, while USD/JPY surged to 105.61. US treasury yields were higher, the 2 year yield added 3.0 bps to 0.181% while the 10 year yield rose 12.7 bps to 0.951%. Oil prices were sharply higher on hopes the vaccine would allow economies to open up and fuel demand. Brent added 5.0% to \$42.47 while WTI climbed 5.9% to \$40.4. Base metals were mixed, with nickel (+2.6%) the best performer. In Asia today, as I write the Nikkei is at +0.38%, the Shanghai composite is at +0.12%, the Hang Seng is at +0.72%, and the ASX S&P 200 is at +0.71%. Tonight we have the NFIB small business index, and job openings out of the US; with the ZEW economic sentiment index out of the eurozone.

PRECIOUS

Carnage as the COVID vaccine news sparked a massive sell off across the precious complex. Gold looked good in Asia, gapping a few dollars higher at the open and trading up to the session high \$1965. The metal traded a fairly narrow range around \$1960 through early London hours. The vaccine announcement promptly triggered massive sell off, we saw waves of selling over the following few hours. Gold lost \$115 dollars off the high to post a low at \$1850. The yellow metal crept higher through remaining trading hours before closing deep in the red at \$1862. Silver tested toward \$26 early on before dumping a whopping \$2.40, or 9.2%, to the low of \$23.59. In the PGMs palladium fared best, closing mostly unchanged, while platinum plunged to a low of \$855. The Philadelphia gold and silver index fell 5.63% to 146.63. We are seeing buying interest in Asia today at these lower levels. Gold has picked up \$20 to trade as high as \$1884, with the yellow metal currently sitting at \$1882. Silver was up to \$24.33 before coming off the high to trade at \$24.15 as I write. Have a good day ahead.

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