



MKS PAMP
GROUP

Daily Asia Wrap - 19th November 2020



Range Asian Hours
(from Globex open)

	GOLD	SILVER	PLATINUM	PALLADIUM
OPEN	1873.50/00	24.38/41	943/46	2340/55
HIGH	1873.60/10	24.38/41	949/52	2340/55
LOW	1858.20/70	23.94/97	933/36	2317/32
LAST	1863.30/80	24.03/06	934/37	2322/37

MARKETS/MACRO

Stocks in the U.S. saw declines accelerate late in trade on Wednesday, as Covid-19 deaths in the U.S. passed 250k, while New York City schools announced a halt to in-person learning from Thursday. Both the Dow Jones Industrial Average and the S&P 500 declined -1.16% to 29,438.42 points and 3,567.79 points respectively, while the Nasdaq Composite fell -0.82% to 11,801.605 points. The greenback traded heavily to see the DXY index (-0.1%) sink back toward the recent low around 92.00, reasonably unchanged relative to the Euro, while the safe-haven Japanese Yen firmed +0.4% as USD/JPY sunk underneath 104.00. U.S. yields crept higher after tempering gains late in trade. The two-year added 0.2bps to 0.173%, while the 10-year yield finished 0.8bps higher to 0.868%. On the data front, U.S. housing starts outpaced expectations to increase +4.9% MoM during October (exp: 3.2%) to 1.53 million annualised, however building permits reported flat MoM (exp: +1.4%). Inflation in the U.K. recorded a flat read during October (exp: -0.1%) to see the annualised rate at +0.7% YoY from +0.5% YoY previously. The final read of Eurozone CPI held at +0.2% MoM during October and -0.3% YoY. Stocks in

Europe finish higher on Wednesday as the pan-European Stoxx 600 gained +0.44% to 390.54 points, the German Dax added +0.52% to 13,201.89 points, while in the U.K. the FTSE 100 finished +0.31% higher at 6,385.24 points.

PRECIOUS

The precious complex remained heavy across today's Asian session as near-term sentiment continues to indicate the potential for further declines. Gold spent the majority of the session pinned toward USD \$1,870, with little in the way of directional flows out of China as the on-shore discount traded underneath USD -\$15. Price action was generally limited to late afternoon trade as a stop loss run through the previous session low toward USD \$1,865 saw the yellow metal to a USD \$1,858.70 session low. ETF outflows look to be the key driver for gold currently as participants continue to be forward looking with focus more on vaccine headlines rather than the Covid-19 figures coming out of the U.S. and to a lesser extent Europe. The range remains fixed between USD \$1,850 - \$1,900, with significant pressure on the down-side support expected over the near-term, potentially targeting the 200 DMA at USD \$1,794 on a break of the level. Silver dipped below USD \$24 in late Asia today and may see near-term weakness test supports at USD \$23.50 and USD \$22.90 now the metal has lost touch with the 100 DMA at USD \$24.45. Palladium tracked sideways today and remains buoyant above USD \$2,300, while platinum eased underneath USD \$950, however continues to see interest on global growth optimism. Data today includes U.S. initial jobless claims, the Philadelphia Fed business outlook, Bloomberg U.S. consumer comfort, the U.S. leading index and U.S. existing home sales.

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