



MKS PAMP
GROUP

Daily Asia Wrap - 1st December 2020



Range Asian Hours
(from Globex open)

	GOLD	SILVER	PLATINUM	PALLADIUM
OPEN	1788.80/30	22.68/71	968/71	2430/45
HIGH	1789.80/30	22.72/75	971/74	2431/46
LOW	1764.90/40	21.90/93	955/58	2403/18
LAST	1770.90/40	22.09/12	956/59	2404/19

MARKETS/MACRO

Month-end flows weighed upon U.S. stocks on Monday as major bourses finished the last trading day of the month with modest declines. The Dow Jones Industrial Average declined -0.91% to finish at 29,638.64 points, the S&P 500 finished -0.46% lower at 3,621.63 points, while the Nasdaq Composite eased -0.06% to 12,198.738 points. Vaccine headlines propelled stocks higher during November to see The Dow Jones Industrial Average surge +11.8% and mark the best single-month performance since January 1987, while both the S&P 500 and the Nasdaq Composite booked their best single-month results since April to finish +10.8% and 11.8% higher respectively. The greenback rallied in New York to claw back +0.21%, notably firmer relative to the Japanese Yen as the pair pivoted back above 104.00 (USD/JPY +0.22%), while the Euro tested 1.20 before paring gains late in trade. Treasury yields eased marginally to see the two-year yield decline 0.3bps to 0.1485%, while the 10-year finished little changed toward 0.84%. On the data front, U.S. pending home sales declined -1.1% during October (exp: +1.0%) from a -2.0% fall during September, while compared to a year ago,

sales were +19.5% higher YoY. The MNI Chicago PMI tempered during November, easing to 58.2 (exp: 59.0) from 61.1 previously, marking the lowest level in 3-months. The Dallas Fed manufacturing activity print slowed sharply to 12.0 during November (exp: 14.3) from 19.8 during October. European stocks finished softer on Monday, however the pan-European Stoxx 600 finished the month of November over +14% higher, the best single-month result since records began in 1986. On the session the European Stoxx 600 declined -0.98% to 389.36 points, the German Dax fell -0.33% to 13,291.16 points, while in London the FTSE 100 sunk -1.59% to 6,266.19 points.

PRECIOUS

A firmer session across the precious complex during Asian trade today, with a new month bringing renewed interest into metals. An offered dollar provided underlying support to the market in generally one-way traffic, seeing gold consolidate above USD \$1,775 in early session flows, before extending through the previous session high of USD \$1,784. Layered offers toward USD \$1,790 kept further top-side gains in-check, however there remained sufficient demand on dips to see pricing hold toward USD \$1,784 - \$1,789 throughout the afternoon. ETF outflows remain the main headwind for the yellow metal, with close to 400k ounces offloaded yesterday, dragging the PM fix significantly lower than the prevailing spot price. We will look to USD \$1,765 - \$1,775 as an initial support band and remain focus on ETF flows over the near-term to dictate price direction. Silver has rallied significantly from the recent test of USD \$22, while platinum continues to find interest on any dips. Data today includes U.K. house prices, Markit/BME German manufacturing PMI, German employment, Markit Eurozone manufacturing PMI, Markit U.K. manufacturing PMI, Eurozone CPI, Canada GDP, Markit Canada manufacturing PMI, Markit U.S. manufacturing PMI, ISM U.S. manufacturing, ISM U.S. employment and U.S. construction spending.

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