



MKS PAMP  
GROUP

## Europe/US Market Update - 20th November 2020



### Europe/US Markets (from Globex open)

19-Nov-20	GOLD		SILVER		PLATINUM		PALLADIUM	
	Bid	Offer	Bid	Offer	Bid	Offer	Bid	Offer
OPEN	1863.70	1864.30	24.0400	24.0600	937.50	939.50	2332.00	2362.00
HIGH	1867.20	1867.80	24.1300	24.1500	953.50	955.50	2333.50	2363.50
LOW	1853.30	1853.90	23.6500	23.6700	935.50	937.50	2274.50	2304.50
CLOSE	1864.60	1865.20	24.0675	24.0875	949.50	951.50	2330.00	2360.00
EFP	-3.50	0.50	0.0000	0.0800	0.00	10.00	-20.00	10.00
Active Contract	GCZ0 Comdty		SIZ0 Comdty		PLV0 Comdty		PAZ0 Comdty	

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#### MACRO

- U.S. stocks finished modestly higher on Thursday, turning bid late in trade on the back of optimism over stimulus measures
- The Dow Jones Industrial Average finished the session +0.15% higher at 29,483.23 points, the S&P 500 gained +0.39% to 3,581.87 points, while the Nasdaq Composite added +0.87% to 11,904.714 points.
- The greenback lost ground in New York to finish modestly lower (DXY -0.2%), with declines driven by headlines that Senators Schumer and McConnell had agreed to resume negotiations on a Covid relief package.
- The Euro outperformed to finish +0.2% higher at 1.1880, while the safe-haven Japanese Yen ended trade flat after USD/JPY pared a move above 104.00.
- Treasury yields declined across the curve as coronavirus cases in the U.S. continue to rise. The two-year slipped 1bp to 0.163%, while the 10-year sunk 3.8bps to 0.832%.
- Initial jobless claims in the U.S. rose to 742k during the week ended November 14 (exp: 700k) from 711k the week prior.

- The Philadelphia Fed business outlook declined to 26.3 during November (exp: 22.5) from 32.3 previously. On a positive note, the employment component rose to the highest level since July 2019.
- Existing home sales in the U.S. firmed +4.3% MoM during October to an annualised rate of 6.85m.
- Stocks in Europe posted declines on Thursday to see the pan-European Stoxx 600 -0.75% lower to 387.60 points, the German Dax fell -0.88% to 13,086.16 points, while in London the FTSE 100 slipped -0.80% to 6,334.35 points.

#### **PRECIOUS**

- Gold tested toward the recent USD \$1,850 support on Thursday, however was able to pare declines into the close as the dollar reversed earlier gains.
- It was generally one-way traffic for the yellow metal, declining underneath USD \$1,870 in early Asian trade and extending declines throughout the session to mark a USD \$1,853.90 session low in early New York.
- Stimulus headlines provided a mild bid bias into the close as the dollar reversed, taking gold back above USD \$1,860 and ending the session around -0.7% lower.
- Silver dipped back toward the USD \$23.50 support level after opening around USD \$24.40 in Asia. The grey metal recovered back toward USD \$24 into the close, however booked a -1.4% decline on the session.
- Platinum recovered back toward the USD \$950 level and continues to see support, while palladium survived a test underneath USD \$2,300 to finish the session flat.

#### **PRE-ASIA COMMENTS**

- Gold holds above USD \$1,860 in early Asian trade, while silver straddles USD \$24
- ETF flows the key to near-term direction, while stimulus headlines are likely to provide support over the medium term against the back drop of a softer greenback.
- Ahead today:
- U.K. retail sales
- Germany PPI
- Eurozone consumer confidence.

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