



MKS PAMP
GROUP

Daily Asia Wrap - 24th November 2020



Range Asian Hours
(from Globex open)

	GOLD	SILVER	PLATINUM	PALLADIUM
OPEN	1838.80/30	23.62/65	930/33	2350/65
HIGH	1838.80/30	23.62/65	939/42	2354/69
LOW	1821.60/10	23.20/23	929/32	2319/34
LAST	1827.30/80	23.42/45	937/40	2337/52

MARKETS/MACRO

Further positive vaccine news buoyed risk sentiment on Monday, while encouraging Brexit headlines and positive U.S. data added further supported equity markets. AstraZeneca released details from their joint Coronavirus vaccine trial with Oxford University on Monday, detailing an average efficacy of 70 per cent and up to 90% in some trials. More importantly however, the vaccine candidate can be stored, transported and handled at 'normal refrigerated conditions' rather than the sub-zero storage conditions required for other candidates. The Dow Jones Industrial Average jumped +1.12% to 29,591.27 points, the S&P 500 gained +0.56% to 3,577.59 points, while the Nasdaq Composite added +0.22% to 11,880.633 points. The greenback found strong interest in New York on Monday as the DXY index bounced off the 92.00 handle to finish +0.2% higher. The Euro tested above 1.1900 briefly, however lost touch with the figure to end -0.15% lower toward 1.1845, while the Japanese Yen declined -0.6% as USD/JPY pushed back above 104.50. Treasury yields pushed higher on the positive risk sentiment, seeing the two-year finish 0.5bps higher to 0.162%, while the 10-year gained

2.4bps to 0.857%. Markit PMI prints out of the U.S. surprised to the upside during November (provisional basis). The services PMI increased to 57.7 (exp: 55.0) from 56.9 previously, while the manufacturing PMI jumped to 56.7 (exp: 53.0) from 53.4 previously.

PRECIOUS

The precious complex exhibited further weakness in Asia today, with notably gold and silver extending declines through the U.S. session low prints. Vaccine optimism continues to weigh upon the precious complex, while technical breaks-downs in New York on Monday have seen some weaker long positions head for door. Choppy early Asian trade gave way to an offered bias on the Chinese open as gold broke through the previous session low, extending to a USD \$1,821.60 low as the on-shore discount pushed back out toward -\$20. The yellow metal was given a modest reprieve during afternoon flows, edging back toward USD \$1,830 on the back of a softer greenback, however continuing ETF outflows are likely to continue now the USD \$1,850 support has broken, with down-side targets extending to the psychological USD \$1,800 figure and the 200 DMA at USD \$1,797. Silver traded heavily today to touch a USD \$23.20 low and looks to target the psychological USD \$23 figure with extension to the fib retracement level at USD \$22.90. The white metals trade mixed as platinum remains underneath the key USD \$950 pivot, while palladium see interest above USD \$2,300. Data today includes German IFO survey results, U.S. S&P Corelogic house prices, Conference Board U.S. consumer confidence and the Richmond Fed manufacturing index.

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