



MKS PAMP
GROUP

Daily Asia Wrap - 30th November 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

Stocks in the U.S. finished higher on Friday in a shortened session following Thanksgiving, as rising optimism over vaccine headlines outweighed increasing coronavirus cases across the U.S. The S&P 500 finished the session +0.24% higher at a fresh record closing level of 3,638.35 points, the Nasdaq Composite jumped +0.92% to 12,205.85 points, also a record high for the bourse, while the Dow Jones Industrial Average firmed +0.13% to 29,910.37 points. The Greenback remained heavy on Friday, breaking through the September lows to see the DXY (-0.26%) index to 91.758. The Euro consolidated above the 1.19 handle to finish the session +0.43% higher, while the safe-haven Japanese Yen added +0.20% as USD/JPY softened underneath 104.00. Treasury yields opened softer after being closed for Thanksgiving on Thursday, seeing the two-year decline 1bp to 0.152%, while the 10-year fell 4bps to 0.8406%. Stocks across Europe finished higher, however there remains uncertainty over Brexit negotiations. The pan-European Stoxx 600 ended trade +0.41% higher at 393.23 points, the German Dax gained +0.37% to 13,335.68 points, while in London the FTSE 100 inched +0.07%

higher to 6,367.58 points.

PRECIOUS

The precious complex exhibited further weakness during Asian trade today, with notably gold and silver breaking down through Friday's low prints as the rotation into risk continues to weigh upon the metals. An offered bias to the greenback (DXY -0.1%) did little to support gold today, while the Chinese on-shore discount pushed out further toward USD -\$30. ETF's continue to liquidate positioning as the yellow metal extends further underneath the 200 DMA (USD \$1,800.40), however we are seeing some interest from specs on dips, understandable considering the metal trades close to -11% or USD \$200 lower from the USD \$1,965 print just three weeks ago (pre-Pfizer announcement). Fridays move through the 200 DMA and psychological USD \$1,800 has pushed vols higher as the 1m sits around 16.5, while the 3m is above 17.0. Medium-term views remain bullish toward USD \$1950 - \$2,000, however short-term volatility is expected to continue, with the potential for further ETF outflows weighing upon sentiment. The white metals are benefiting from growth prospects as palladium holds above USD \$2,400, while platinum sees whippy price action but remains supported toward USD \$950 as ETF flows increase. Data releases today include German CPI, MNI Chicago PMI, U.S. pending home sales and the Dallas Fed manufacturing activity print.

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