



MKS PAMP
GROUP

Daily Asia Wrap - 3rd December 2020



Range Asian Hours
(from Globex open)

	GOLD	SILVER	PLATINUM	PALLADIUM
OPEN	1830.80/30	24.05/08	1014/17	2411/21
HIGH	1837.30/80	24.10/13	1017/20	2411/21
LOW	1826.60/10	23.80/83	1010/13	2402/12
LAST	1833.40/90	24.02/05	1014/17	2403/13

MARKETS/MACRO

Stocks in the U.S. ended generally higher on Wednesday, as participants await fresh stimulus news following comments from House Majority Leader Steny Hoyer noting that he hopes to see a deal worked out in principle as soon as this weekend. The Dow Jones Industrial Average finished the session +0.20% higher at 29,883.79 points, the S&P 500 added +0.18% to a record close of 3,669.01 points, while the tech-laden Nasdaq Composite eased -0.05% to 12,349.367 points. Energy stocks (+3.2%) and financial stocks (+1.1%) underpinned the S&P 500 gains. On the data front, U.S. ADP private payrolls for November increased at the slowest pace since July, adding 307k (exp: 440k) from an upwardly revised 404k during October. Medium sized companies (50 – 499 workers) led the way with 139k additions, while the service industry saw 276k hires as leisure and hospitality added 95k. The latest Federal Reserve Beige Book release showed the majority of the country saw “modest or moderate” economic growth since late October, however four regions saw weakness and experienced “little or no growth” as Coronavirus cases spiked. The greenback remained heavy on Wednesday (DXY -0.2%) as

the DXY index broke underneath 91.00. Euro strength continued as the common currency added +0.38% to move above 1.2100, while the Australian dollar finished above 0.7400 to add +0.65%. Treasury yields diverged to see the two-year decline 0.5bps to 0.1604%, while the 10-year added 1bp to 0.9376%. U.K. authorities on Wednesday issued an emergency use authorisation for the Pfizer/BioNTech vaccine, with limited distribution expected to commence from next week. The headlines underpinned stocks in the U.K. to see the FTSE 100 jump +1.23% to 6,463.39 points, while European markets were softer as the pan-European Stoxx 600 inched just -0.05% lower to 391.69 points, while the German Dax fell -0.52% to 13,313.24 points.

PRECIOUS

The precious complex remained well supported during Asian trade today as the greenback continued to trade with an offered bias. Early session declines saw good support underneath USD \$1,830 to restrict any further extension heading into the Chinese open as Shanghai traded at a discount toward USD -\$20. The 200 DMA currently sits toward USD \$1,803 and acts as initial support in conjunction with the psychological USD \$1,800 figure. ETF outflows continue to create headwinds, with a further 200k+ of redemptions on Wednesday, however thus far the market has been able to absorb the outflows and continue to firm. Platinum has impressed in recent sessions to consolidate above USD \$1,000 on positive global growth sentiment, with initial targets extending toward USD \$1,040 as ETF interest drives price action on the back of forecasted deficits in 2021. Data releases today include Markit services/composite PMI prints from Italy, France, Germany and the Eurozone, Markit/CIPS services/composite PMI prints from the U.K., Eurozone retail sales, U.S. initial jobless claims, U.S. Bloomberg consumer confidence, Markit U.S. services/composite PMI prints and the ISM services index.

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