



MKS PAMP  
GROUP

## Daily Asia Wrap - 5th November 2020



Range Asian Hours  
(from Globex open)

	GOLD	SILVER	PLATINUM	PALLADIUM
OPEN	1902.00/50	23.90/93	872/75	2290/05
HIGH	1909.50/00	24.13/16	876/79	2297/12
LOW	1902.00/50	23.90/93	869/72	2277/92
LAST	1908.30/80	24.12/15	872/75	2280/95

### MARKETS/MACRO

A strong session across stocks in the U.S. on Wednesday amid the uncertain election outcome. The Dow Jones Industrial Average finished the session +1.34% higher at 27,847.66 points, the S&P 500 gained +2.20% to 3,443.44 points to marking the best session for the bourse since June, while the tech-laden Nasdaq Composite jumped +3.85% to 11,590.781 points as big names such as Alphabet (+6.09%) and Amazon (+6.32%) ripped higher. The greenback pared early session gains to finish the session relatively unchanged after seeing whipsaw price action against the Euro, while the Japanese Yen firmed to see USD/JPY test toward 104.00. Treasury yields were sold off as the likelihood of large U.S. stimulus measures through the Senate waned. The two-year yield finished the session 2.6bp lower at 0.147%, while the 10-year collapsed 15bps to 0.764%. On the data front, private payrolls in the U.S. were lower than expected during October, increasing 365k (exp: 643k) from an increase of 753k previously. The Institute for Supply Management reported its services activity index declined to 56.6 (exp: 57.5), largely weighed down by a softer employment measure. Markets in Europe booked

gains on Wednesday to see the pan-European Stoxx 600 add +2.05% to 363.31 points, the German Dax gained +1.95% to 12,324.22 points, while in London the FTSE 100 finished +1.67% to 5,883.26 points.

## **PRECIOUS**

Limited U.S. election developments kept price action across the precious complex range-bound on Thursday in Asia. Gold managed to remain buoyant above the psychological USD \$1,900 figure after pivoting back above the level late in Wednesday trade, receiving little in the way of directional cues from election developments as Democratic nominee Joe Biden holds onto a narrow lead in the race to the White House. The greenback remained pinned toward 93.50 on a DXY basis, while modest interest out of China saw the on-shore discount narrow to USD -\$24. Expect near-term resistance through USD \$1,915 - \$1,920 to restrict further gains over the near-term as focus remains on the election outcome, while key down-side levels sit toward USD \$1,880 - \$1,860. Silver pivoted back above USD \$24 during Asian trade today and remained buoyant above the figure throughout the afternoon, while the white metals have tracked sideways in uninspiring trade. All eyes today on U.S. election developments as Joe Biden edges toward 270 electoral votes, while on the data front we see the Bank of England rates decision, German factory orders, U.S. initial jobless claims, the FOMC rates decision and Bloomberg U.S. consumer confidence.

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