

Tuesday, November 24, 2020

Technicals



S&P 500	RSI (20:80)	Sto Fast
	58.02%	D 54.71% K 75.55%



Dow Jones	RSI (20:80)	Sto Fast
	62.77%	D 52.61% K 72.25%

U.S Stock Market

DJIA	S & P 500	NASDAQ
29550	3575.75	11911.75
+1.20%	+0.68%	+0.35%

U.S stock index futures rose yesterday as hopes that the first COVID-19 vaccine could be available within weeks renewed bets of a swift economic recovery next year. The U.S Food and Drug Administration is likely to approve in mid-December the distribution of the vaccine made by Pfizer Inc. and German partner BioNTech, a top official of the government's vaccine development effort said on Sunday. Global equity markets received a boost earlier yesterday as AstraZeneca Plc became the latest major drug maker to say its COVID-19 vaccine could be around 90% effective, although its shares fell 1.8% as some traders perceived the efficacy data as disappointing compared with rivals. Evidence of high efficacy rates in experimental vaccines lifted the benchmark S&P 500 to a record high earlier this month, although gains have since been capped by concerns around more lockdowns to contain a surge in infections. In the absence of new fiscal stimulus, investors have again turned to the Federal Reserve for signs of more monetary support.

Major Economic Releases for Today

Period	Event	GMT	Forecast	Previous
Q3	Germany Gross Domestic Product (QoQ)	07:00	8.2 %	8.2 %
NOV	France Business Climate in Manufacturing	07:45	91	93
NOV	Germany IFO – Business Climate	09:00	90.7	92.7
NOV	Germany IFO – Current Assessment	09:00	87.2	90.3
NOV	Germany IFO – Expectations	09:00	93.5	95
	BoJ's Governor Kuroda speech	12:05		
SEP	U.S Housing Price Index (MoM)	14:00	1.1 %	1.5 %
SEP	S&P/Case-Shiller Home Price Indices (YoY)	14:00	5 %	5.2 %
NOV	U.S Consumer Confidence	15:00		

Dow Jones Industrial Average

The Dow Jones Industrial Average rose 1.20%. The best performers of the session on the Dow Jones Industrial Average were Boeing Co, which rose 6.20% or 12.37 points to trade at 211.99 at the close. Meanwhile, Chevron Corp added 5.13% or 4.40 points to end at 90.19 and Walt Disney Company was up 4.20% or 5.93 points to 147.00 in late trade. The worst performers of the session were Apple Inc., which fell 2.76% or 3.24 points to trade at 114.10 at the close. Johnson & Johnson declined 0.98% or 1.43 points to end at 143.92 and Merck & Company Inc. was down 0.77% or 0.62 points to 79.83.

NASDAQ 100

The NASDAQ index gained 0.35%. The top performers on the NASDAQ Composite were FStar Therapeutics Inc. which rose 236.36% to 4.070, ENGlobal Corporation which was up 88.18% to settle at 2.0700 and Fuel Tech Inc. which gained 75.98% to close at 2.2350. The worst performers were Polarityte Inc. which was down 29.94% to 0.64 in late trade, Bellerophon Therapeutics Inc. which lost 16.51% to settle at 7.3300 and Personalis Inc. which was down 15.03% to 26.34 at the close.

Oil

Oil prices settled up more than 2% in yesterday's trading session, extending last week's gains as the latest report of encouraging coronavirus vaccine trials had traders anticipating a recovery in demand. U.S. crude gained 64 cents to \$43.06 a barrel, a 1.51% gain. Another dose of favorable coronavirus vaccine news today has prompted a renewed upswing in the equities that has easily spilled into the oil space. The contango structure in the market, whereby the prices of front-month delivery contracts are lower than those for delivery six months later, narrowed to as little as 31 U.S. cents, its smallest since mid-June. Outlook for demand has improved with news indicating progress towards developing COVID-19 vaccines. A U.S. official said the first inoculations in the United States could start a day or two after regulatory approval was secured. On the supply side, OPEC+ will look at options to extend its deal on output cuts by at least three months from January.



Precious and Base Metals

Gold fell nearly 2% to its lowest in four-months yesterday as better-than-expected U.S business activity data and optimism over progress in COVID-19 vaccines boosted hopes for a swifter economic rebound and drove investors towards riskier assets. Spot gold dipped 1.8% to \$1,836.71 per ounce, after falling to its lowest since July 21 at \$1,834.95. U.S gold futures shed 2% to \$1,834.80. Stocks jumped after data showed U.S business activity in November expanded at its fastest rate in more than five years, pointing to a recovery from the pandemic's economic damage. Gold broke below the key \$1,850 level after an unbelievably strong U.S PMI release just dampened the need for stimulus. No one was expecting such strong readings in both services and manufacturing. The upbeat data came after Britain's AstraZeneca said its vaccine could be around 90% effective without any serious side effects. Further denting bullion, the dollar rose against rivals, while the benchmark 10-year Treasury yield also jumped. Gold's break below \$1,850 triggered a wave of sell stops. Gold, considered a hedge against inflation and currency debasement, has gained over 21% this year, mainly benefiting from the economic damage from the pandemic and the resultant global stimulus measures. While we do expect gold to go onto the defensive when the global economies start to show sustainable recoveries, the tailwinds behind the market have not yet been fully dissipated. Silver fell 2.6% to \$23.52 an ounce, platinum dipped 1.5% to \$932.15, while palladium rose 0.4% to \$2,335.95. Copper yesterday held near Friday's 29-month high as another coronavirus vaccine breakthrough added to hopes for a strong global economic recovery, boosting stock markets and oil prices. Copper has rallied 65% from a low in March as China's metals-intensive economy rebounded and speculative investors piled into the market.

Traditional Agricultures

Soybean futures fell for the first time in eight sessions today as traders booked profits after prices hit a more than four-year high, although concerns about global production provided a floor to losses. The USDA's weekly crop progress report showed that U.S winter wheat ratings declined in the latest week.



Futures Settlement Price Monday, November 23, 2020						
Instrument	Contract	Open	High	Low	Settlement	Net Change
Dow Jones	DJ	29136	29619	29118	29550	413
S & P 500	SP500	3545	3587.75	3545	3575.75	32.25
NASDAQ 100	NSDQ100	11893.5	12001.25	11808	11911.75	26.75
Gold	GO	1879.6	1879.7	1834.1	1841.3	-31.3
Silver	SL	2454.5	2454.5	2356.5	2372	-64
Copper	COPPER	330.95	331.45	325.5	328.1	-0.95
Crude Oil	CRUDE	42.44	43.32	42.26	42.82	0.43
Platinum	PLATINUM	866.1	872	863.5	866.6	0.5
Palladium	PALDIUM	2317.1	2364.2	2314.5	2337.4	20.8
Natural Gas	NGAS	3.005	3.061	2.996	3.021	0.016
Wheat	IWHEAT	602.25	609.75	601.75	604.75	6.5
Soybeans	ISOYBEAN	1193.25	1198.25	1185.75	1191.5	10.75
Corn	ICORN	432.25	435.25	430	433	5

Daily Swings (The Pivot Levels)							
Instrument	Trading Range						
	S3	S2	S1	Pivot	R1	R2	R3
Dow Jones	28738	28928	29239	29429	29740	29930	30241
S & P 500	3508.50	3526.75	3551.25	3569.50	3594.00	3612.25	3636.75
NASDAQ 100	11619.50	11713.75	11812.75	11907.00	12006.00	12100.25	12199.25
Gold	1778.10	1806.10	1823.70	1851.70	1869.30	1897.30	1914.90
Silver	2236.17	2296.33	2334.17	2394.33	2432.17	2492.33	2530.17
Copper	319.30	322.40	325.25	328.35	331.20	334.30	337.15
Crude Oil	41.22	41.74	42.28	42.80	43.34	43.86	44.40
Platinum	854.23	858.87	862.73	867.37	871.23	875.87	879.73
Palladium	2263.50	2289.00	2313.20	2338.70	2362.90	2388.40	2412.60
Natural Gas	2.085	2.092	2.097	3.001	3.015	3.022	3.035
Wheat	593.08	597.42	601.08	605.42	609.08	613.42	617.08
Soybeans	1172.92	1179.33	1185.42	1191.83	1197.92	1204.33	1210.42
Corn	425.00	427.50	430.25	432.75	435.50	438.00	440.75

Source: - News & Quotes (Courtesy: Reuters)

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