

Thursday, November 12, 2020

Technicals



S&P 500	RSI (20:80)	Sto Fast
	52.26%	D 57.46% K 64.98%



Dow Jones	RSI (20:80)	Sto Fast
	54.45%	D 60.30% K 68.77%

U.S Stock Market

DJIA	S & P 500	NASDAQ
29339	3573.00	11895.50
+0.80%	+0.20%	-1.41%

The NASDAQ closed lower on Tuesday as investors sold off technology stocks that benefited from virus lockdowns and favored the sectors that suffered most during the pandemic on optimism that a COVID-19 vaccine would turn around the economy. The heavyweight technology consumer discretionary sectors on Tuesday while investors favored small caps and economically sensitive energy and industrials sectors as well as value stocks in consumer staples. The main U.S indexes had hit intraday peaks on Monday after Pfizer Inc. said a vaccine it is developing with German partner BioNTech SE was 90% effective against COVID-19. The Dow Jones Industrial Average rose 234.51 points, or 0.8%, the S&P 500 lost 7.25 points, or 0.20% and the NASDAQ dropped 164.62 points, or 1.41%. Trading was also choppy at times as some investors monitored for election uncertainty after U.S Secretary of State Mike Pompeo became the latest Republican to suggest President Donald Trump would not concede the White House to Democrat Joe Biden.

Major Economic Releases for Today

Period	Event	GMT	Forecast	Previous
SEP	U.K Manufacturing Production (MoM)	07:00	1 %	0.7 %
SEP	U.K Industrial Production (MoM)	07:00	0.8 %	0.3 %
Q3	U.K Gross Domestic Product (YoY)	07:00	-9.4 %	-21.5 %
OCT	Germany Harmonized Index of Consumer Prices (YoY)	07:00	-0.5 %	-0.5 %
	BoE's Governor Bailey speech	08:00		
NOV	U.S Initial Jobless Claims	13:30	735 K	751 K
OCT	U.S Consumer Price Index (YoY)	13:30	1.3 %	1.4 %
NOV	EIA Crude Oil Stocks Change	16:00	-0.913 M	-7.998 M
	ECB's President Lagarde speech	16:45		

Dow Jones Industrial Average

The Dow Jones Industrial Average declined 0.33%. The best performers of the session on the Dow Jones Industrial Average were Apple Inc., which rose 2.63% or 3.05 points to trade at 119.02 at the close. Meanwhile, Microsoft Corporation added 2.56% or 5.40 points to end at 216.41 and Intel Corporation was up 2.11% or 0.96 points to 46.40 in late trade. The worst performers of the session were American Express Company, which fell 4.55% or 5.27 points to trade at 110.68 at the close. Boeing Co declined 3.99% or 7.53 points to end at 181.16 and Walt Disney Company was down 3.46% or 4.92 points to 137.19.

NASDAQ 100

The NASDAQ index climbed 1.69%. The top performers on the NASDAQ Composite were Five Prime Therapeutics Inc. which rose 233.33% to 17.80, Fuel Tech Inc. which was up 69.51% to settle at 1.2900 and Equillium Inc. which gained 41.09% to close at 4.91. The worst performers were Pareteum Corp which was down 32.62% to 0.3167 in late trade, eGain Corporation which lost 28.93% to settle at 12.04 and Teligent Inc. which was down 24.47% to 0.5096 at the close.

Oil

Oil rose yesterday, briefly touching a more than two-month high above \$45 a barrel on hopes of a COVID-19 vaccine that could boost demand and later pulling back as concerns about rising cases overtook bullish news. WTI price is up about 11% this week after initial trial data showed the experimental COVID-19 vaccine being developed by Pfizer Inc. and Germany's BioNTech was 90% effective. Still, concerns about rising cases weighed on the market. The record number of cases is enough to snap everyone back to reality. The expectation that a vaccine could restore demand for transportation fuels is critical for oil. Transportation across the board has been so impacted by the pandemic that getting past it would revive demand for those fuels, which is what the petroleum complex needs. Renewed restrictions in Europe and the United States to combat the coronavirus have slowed fuel demand recovery, offsetting a rebound in Asian economies.



Precious and Base Metals

Gold fell as much as 1.1% yesterday, hurt by a stronger dollar, while optimism around a potential COVID-19 vaccine raised hopes for a quick economic rebound, driving investors towards riskier assets. Spot gold fell 0.8% at \$1,861.96 per ounce. U.S gold futures lost 0.8% to \$1,861.30. Gold's got two things working against it, strong equities and a strong dollar at this point. It's hard for gold to continue to rally given those two markets being up higher. The flight to safety in the precious metals that we had last week after the U.S. elections is gone away on the back of coronavirus vaccine news. Denting gold's appeal, the dollar rose 0.4% to a near one-week high, making bullion more expensive for holders of other currencies. Risk sentiment among investors gained as prospects of an effective COVID-19 vaccine overshadowed worries over surging infections. But the breakthrough highlighted the logistical challenges of distributing hundreds of millions of doses once they become available. Given the reaction we've seen to vaccine news in recent days, the immediate downside risks for gold have undoubtedly increased. The key area remains between \$1,850-\$1,860 and it's looking very vulnerable in the near-term. However, the longer term prospects for gold are bullish, the road to recovery will take time and require more central bank and government support. Federal Reserve policymakers on Tuesday highlighted the need for more targeted fiscal support from the government. Gold, which has risen more than 22% this year, tends to benefit from widespread stimulus measures from central banks because it is widely viewed as a hedge against inflation and currency debasement. Silver eased 0.3% to \$24.14 per ounce. Platinum fell 2.4% to \$861.70 and palladium shed 5.2% to \$2,325.58.

Traditional Agricultures

U.S wheat and soybeans rose sharply on Tuesday after the USDA cut its forecasts of U.S corn and soybean inventories and harvests. But Chicago wheat slumped 1.8% in yesterday's session. Soybean futures eased today in Asian session after hitting a more than four-year high in the last session, although strong demand and concerns over global supplies kept a floor under the market.



Futures Settlement Price Wednesday, November 11, 2020						
Instrument	Contract	Open	High	Low	Settlement	Net Change
Dow Jones	DJ	29357	29568	29182	29339	-2
S & P 500	SP500	3546	3576.75	3531	3573	27
NASDAQ 100	NSDQ100	11631.5	11909.25	11575	11895.5	271.5
Gold	GO	1874.8	1882.2	1853.6	1863.6	-12.3
Silver	SL	2426.5	2450	2380	2434	5.5
Copper	COPPER	315.5	317.5	310.75	313.25	-2.25
Crude Oil	CRUDE	41.76	43.03	41.28	41.38	-0.4
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	607.75	613	595.25	598	-10.25
Soybeans	ISOYBEAN	1148.25	1161.75	1144.75	1151.5	6.75
Corn	ICORN	422	427.5	416	417	-5

Daily Swings (The Pivot Levels)							
Instrument	Trading Range						
	S3	S2	S1	Pivot	R1	R2	R3
Dow Jones	28772	28977	29158	29363	29544	29749	29930
S & P 500	3498.00	3514.50	3543.75	3560.25	3589.50	3606.00	3635.25
NASDAQ 100	11343.00	11459.00	11677.25	11793.25	12011.50	12127.50	12345.75
Gold	1822.13	1837.87	1850.73	1866.47	1879.33	1895.07	1907.93
Silver	2322.67	2351.33	2392.67	2421.33	2462.67	2491.33	2532.67
Copper	303.42	307.08	310.17	313.83	316.92	320.58	323.67
Crude Oil	39.01	40.15	40.76	41.90	42.51	43.65	44.26
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	573.42	584.33	591.17	602.08	608.92	619.83	626.67
Soybeans	1126.58	1135.67	1143.58	1152.67	1160.58	1169.67	1177.58
Corn	401.33	408.67	412.83	420.17	424.33	431.67	435.83

Source: - News & Quotes (Courtesy: Reuters)

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Contact Details

IGI Commodity Team

Zaeem Haider Khan	(Head of Commodity)	Cell: 0321-4772883	Tel: (+92-42) 38303559-68	zaeem.haider@igi.com.pk
Syed Zeeshan Kazmi	(Manager)	Cell: 0321-4499228	Tel: (+92-42) 38303559-68	zeeshan.kazmi@igi.com.pk
Ehsan Ull Haq	(Commodity Trader - Lahore)	Cell: 0321-4861015	Tel: (+92-42) 38303559-68	ehsan.haq@igi.com.pk
Muhammad Naveed	(Branch Manager - Islamabad)	Cell: 0345-5599900	Tel: (+92-51) 2604861-62	muhammad.naveed@igi.com.pk
Irfan Ali	(Branch Manager - Faisalabad)	Cell: 0300-7660778	Tel: (+92-41) 2540843-45	Irfan.ali@igi.com.pk
Asif Saleem	(Branch Manager - Rahim Yar Khan)	Cell: 0334-7358050	Tel: (+92-68) 5871652-56	asif.saleem@igi.com.pk
Mehtab Ali	(Branch Manager - Multan)	Cell: 0300-6348471	Tel: (+92-61) 4512003	mahtab.ali@igi.com.pk

IGI Finex Securities Limited

Trading Rights Entitlement Certificate (TREC) Holder of
Pakistan Stock Exchange Limited |
Corporate member of Pakistan Mercantile Exchange Limited

Head Office

Suite No 701-713, 7th Floor, The Forum, G-20,
Khayaban-e-Jami Block-09, Clifton, Karachi-75600
UAN: (+92-21) 111-444-001 | (+92-21) 111-234-234
Fax: (+92-21) 35309169, 35301780
Website: www.igisecurities.com.pk

Stock Exchange Office

Room # 134, 3rd Floor, Stock Exchange Building,
Stock Exchange Road, Karachi.
Tel: (+92-21) 32429613-4, 32462651-2,
Fax: (+92-21) 32429607

Lahore Office

Shop # G-009, Ground Floor,
Packages Mall
Tel: (+92-42) 38303560-69
Fax: (+92-42) 38303559

Faisalabad Office

Room #: 515-516, 5th Floor, State Life
Building, 2- Liaqat Road
Tel: (+92-41) 2540843-45
Fax: (+92-41) 2540815

Multan Office

Mezzanine Floor, Abdali Tower,
Abdali Road
Tel: (92-61) 4512003, 4571183

Islamabad Office

Mezzanine Floor, Office 5, 6 & 7, Kashmir Plaza,
Block- B, Jinnah Avenue, Blue Area
Tel: (+92-51) 2604861-2, 2604864, 2273439
Fax: (+92-51) 2273861

Rahim Yar Khan Office

Plot # 12, Basement of Khalid Market,
Model Town, Town Hall Road
Tel: (+92-68) 5871652-3
Fax: (+92-68) 5871651