

Thursday, October 22, 2020

Technicals



S&P 500	RSI (20:80)	Sto Fast
	55.30%	D 59.10% K 66.58%



Dow Jones	RSI (20:80)	Sto Fast
	57.83%	D 62.30% K 68.77%

U.S Stock Market

DJIA	S & P 500	NASDAQ
28138	3433.25	11694.00
-0.29%	-0.22%	-0.27%

Wall Street's main indexes dipped in choppy trading yesterday as investors waited for progress in ongoing negotiations related to the coronavirus stimulus package. White House economic adviser Larry Kudlow said it was a "sunny, optimistic morning" in terms of negotiations on a relief bill with House of Representatives' Democratic leaders. Talks between Treasury Secretary Steven Mnuchin and Democratic House Speaker Nancy Pelosi will continue yesterday. The Trump administration has proposed \$1.8 trillion in aid, while Democrats are pushing for \$2.2 trillion. The major U.S stock indexes have traded in a tight range over the past week as investors track progress over stimulus talks. Wall Street's fear gauge touched a one-month high earlier yesterday as the U.S election campaign enters its final stretch. President Donald Trump and Democratic challenger Joe Biden will face off in their second and final debate today where Trump will attempt to change the trajectory of a race.

Major Economic Releases for Today

Period	Event	GMT	Forecast	Previous
NOV	Germany Gfk Consumer Confidence Survey	06:00	-2.8	-1.6
	BoE's Governor Bailey speech	09:25		
OCT	U.S Continuing Jobless Claims	12:30	9.5 M	10.018 M
OCT	U.S Initial Jobless Claims	12:30	860 K	898 K
SEP	U.S Existing Home Sales (MoM)	14:00	6.3 M	6 M
OCT	Euro Area Consumer Confidence	14:00	-15	-13.9
OCT	U.S Kansas Fed Manufacturing Activity	15:00	20	18
Q3	New Zealand Consumer Price Index (YoY)	21:45	1.7 %	1.5 %
SEP	Japan National Consumer Price Index (YoY)	23:30		0.2 %

Dow Jones Industrial Average

The Dow Jones Industrial Average declined 0.35%. The best performers of the session on the Dow Jones Industrial Average were The Travelers Companies Inc., which rose 5.83% or 6.89 points to trade at 125.00 at the close. Meanwhile, Walt Disney Company added 1.34% or 1.68 points to end at 126.63 and Nike Inc. was up 0.73% or 0.94 points to 129.43 in late trade. The worst performers of the session were Goldman Sachs Group Inc., which fell 2.46% or 5.12 points to trade at 202.91 at the close. Boeing Co declined 2.02% or 3.38 points to end at 163.86 and International Business Machines was down 1.97% or 2.31 points to 115.06.

NASDAQ 100

The NASDAQ index declined 0.28%. The top performers on the NASDAQ Composite were Insignia Systems Inc. which rose 154.99% to 1.7500, Marin Software Inc. which was up 149.01% to settle at 3.760 and Astrotech Corp which gained 58.58% to close at 2.680. The worst performers were Zosano Pharma Corp which was down 27.74% to 0.444 in late trade, TuanChe ADR which lost 23.23% to settle at 0.760 and Anchiano Therapeutics Ltd which was down 21.62% to 1.160 at the close.

Oil

Oil prices settled lower yesterday after U.S inventory figures showed demand weakening for refined products as global COVID-19 cases spiked. U.S West Texas Intermediate (WTI) crude futures dropped \$1.67, or 4%, to \$40.03. Crude rose in the previous session. Crude inventories fell by 1 million barrels in the week to Oct. 16 to 488.1 million barrels, while gasoline stocks rose in another weak showing for fuel demand. Overall product supplied, a proxy for demand, remained down 13% on the year and over the past four weeks when compared with the year-ago period. The market is seriously grappling with demand in the wake of a continued rise in COVID-19 cases. Adding to pressure, worldwide COVID-19 cases crossed 40 million on Tuesday, with some parts of Europe imposing renewed lockdown measures. The battle over a hefty, new U.S coronavirus aid bill was set to spill into Wednesday as the White House and Democrats try to strike a deal before the Nov. 3



Precious and Base Metals

Gold rose 1% to its highest in over a week yesterday as investor optimism that a U.S coronavirus aid package will be announced before the Nov. 3 presidential elections pressured the dollar and bolstered bullion's appeal as an inflation hedge. Spot gold jumped 1.1% to \$1,926.76 per ounce, after touching its highest since Oct. 12. U.S gold futures rose 0.8% to \$1,931.10. Nancy Pelosi had a Tuesday deadline. Well, now it's been pushed down to Friday. Knowing that, people think a deal might get done in the near future, so they're starting to accumulate gold. White House Chief of Staff Mark Meadows said the biggest sticking point remains funding for state and local governments, but added that progress has been made toward a coronavirus relief deal. The increased bets for an eventual breakthrough pushed the dollar to its lowest in nearly two months, making gold less expensive for holders of other currencies. Gold, considered a hedge against inflation, currency debasement and uncertainty, has gained more than 26% this year, driven mainly by unprecedented levels of global stimulus to cushion economies from the coronavirus-induced slump. It's going to be the continued stimulus, continued negative interest rates, people worried about the COVID infection spiking because gold is thought of as a safe haven. Looking ahead, a Reuters poll predicted that while gold may average less than \$2,000 next year as a record rally slows, prices could still touch new highs. Elsewhere, silver rose 1.9% to \$25.10 per ounce, platinum gained 1.8% to \$886.45 and palladium inched up by 0.2% to \$2,403.48. Platinum and palladium could gain on a tentative recovery in the auto sector.

Traditional Agricultures

Corn and soybean futures rose in yesterday's trading session, as concerns about dry conditions in key global production areas of South America boosted export prospects for both U.S commodities. Strength in the cash market also supported gains in corn and soybean futures. Concern about crop weather in South America, as well as a drought-hit harvest in Ukraine, have coincided with strong U.S exports fueled by Chinese purchases. Rains are expected in the coming week in Brazil and Argentina but may be light in some Brazilian growing belts.



Futures Settlement Price Tuesday, October 20, 2020						
Instrument	Contract	Open	High	Low	Settlement	Net Change
Dow Jones	DJ	28190	28375	28076	28138	-36
S & P 500	SP500	3436.75	3457.75	3420.5	3433.25	1.75
NASDAQ 100	NSDQ100	11674.8	11778.75	11585	11694	36.75
Gold	GO	1912.7	1935.7	1911.4	1927.6	18.5
Silver	SL	2485.5	2541.5	2479.5	2516	42.5
Copper	COPPER	314.15	321.75	314	319.55	5.3
Crude Oil	CRUDE	41.19	41.56	39.75	39.96	-1.24
Platinum	PLATINUM	875.20	883.50	858.90	871.80	-10
Palladium	PALDIUM	2239.70	2295.40	2191.20	2223.40	-23.60
Natural Gas	NGAS	2.841	2.841	2.726	2.768	-0.06
Wheat	IWHEAT	633	637	628.25	629.5	-2
Soybeans	ISOYBEAN	1065.25	1076.75	1064	1071.75	8.25
Corn	ICORN	408	415	408	413.5	5

Daily Swings (The Pivot Levels)							
Instrument	Trading Range						
	S3	S2	S1	Pivot	R1	R2	R3
Dow Jones	27719	27897	28018	28196	28317	28495	28616
S & P 500	3379.33	3399.92	3416.58	3437.17	3453.83	3474.42	3491.08
NASDAQ 100	11399.33	11492.17	11593.08	11685.92	11786.83	11879.67	11980.58
Gold	1889.80	1900.60	1914.10	1924.90	1938.40	1949.20	1962.70
Silver	2421.17	2450.33	2483.17	2512.33	2545.17	2574.33	2607.17
Copper	307.37	310.68	315.12	318.43	322.87	326.18	330.62
Crude Oil	37.48	38.61	39.29	40.42	41.10	42.23	42.91
Platinum	761	793	811	842	861	892	910
Palladium	2073.73	2132.47	2177.93	2236.67	2282.13	2340.87	2386.33
Natural Gas	1.50	1.66	1.89	2.05	2.28	2.44	2.68
Wheat	617.42	622.83	626.17	631.58	634.92	640.33	643.67
Soybeans	1052.17	1058.08	1064.92	1070.83	1077.67	1083.58	1090.42
Corn	402.33	405.17	409.33	412.17	416.33	419.17	423.33

Source: - News & Quotes (Courtesy: Reuters)

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