











Pulse of the Market

- Forex traders are nervous about Trump's attempt to annul the votes in Michigan and Pennsylvania
- The German ZEW index dropped from 56.1 to 39 in the month of November
- In Australia employment change fell more than expected but average hourly earnings increased
- No U.S economic reports released yesterday because its Veteran's Day holiday in the U.S

Recent Interest Rates & US Treasury Yields

	Change	Yield
USD		0.25%
EUR		0.00%
GBP		0.25%
JPY		-0.10%
CAD		0.75%
AUD		0.25%
NZD		0.25%
2-yr Yield	+0.03	0.18%
5-yr Yield	+0.05	0.43%
10-yr Yield	+0.08	0.93%

The U.S Dollar failed to extend its gains on Tuesday despite another positive day for Treasury yields and stocks. Part of this has to do with comments from Federal Reserve Presidents. Kaplan worries about a new lockdown and thinks a rebound may not come until late 2021. Rosengren feels the economy needs more fiscal and monetary stimulus. As experts predict new virus cases to hit 200K in the U.S, central bank Presidents have plenty of reasons to be concerned. So far, local governments have been reluctant to respond with restrictions, but their resistance could temper if hospitals get slammed again. There were no U.S economic reports released yesterday because its Veteran's Day in the U.S. Currencies consolidated as traders worry about President Trump's campaign to challenge the election. Senate Majority Leader Mitch McConnell said Trump is within his rights to contest the election results and few Republicans have been willing to acknowledge Joe Biden's victory. While some share the President's concerns about election results, most are afraid of losing political equity if he runs again in 2024. What the final results tell us is that the Trump brand is still very strong and they won't give up control of the party easily. Forex traders are nervous about Trump's attempt to annul the votes in Michigan and Pennsylvania. If his efforts will gain traction it will revive election uncertainty and risk aversion. Trump-appointed nominee out of the GSA office has refused to release key transition funds and security clearances needed for the Biden team. These moves could not only impede a smooth transition of power but endanger national security as well and as the standoff turns to legal maneuverings the markets could quickly take on a risk-off posture as the United States fails to have a peaceful transition of power for the first time in history. The sell-off in the dollar helped euro shrug off weaker investor confidence. The German ZEW index dropped from 56.1 to 39 in the month of November. This sharp deterioration was worse than expected and reflects concerns about a double dip recession.

Time(GMT)		Economic Release	IMP	Actual	Forecast	Prior
07:00		Germany Inflation Rate YoY Final (OCT)	High		-0.2%	-0.2%
07:00		U.K GDP 3-Month Avg (SEP)	High		15.8%	8.0%
07:00		U.K GDP Growth Rate YoY Prel (Q3)	High		-9.4%	-21.5%
07:00		U.K Balance of Trade (SEP)	Medium			£1.4B
07:00		U.K Industrial Production YoY (SEP)	Medium		-6.1%	-6.4%
07:00		U.K Manufacturing Production YoY (SEP)	Medium		-7.4%	-8.4%
10:00		Euro Area Industrial Production YoY (SEP)	Medium		-5.8%	-7.2%
13:30		U.S Core Inflation Rate YoY (OCT)	High		1.8%	1.7%
13:00		U.S Inflation Rate YoY (OCT)	High		1.3%	1.4%
13:00		U.S Initial Jobless Claims (07/NOV)	Medium		735K	751K

Euro

The single currency slipped against the dollar yesterday as European Central Bank policymakers continued to tout further easing on the horizon, though downplayed the prospect of further interest rate cuts. "While all options are on the table, the pandemic emergency purchase program and targeted longer-term refinancing operations have proven their effectiveness," ECB governor Christine Lagarde said. Overall, the EUR/USD traded with a low of 1.1709 and a high of 1.1858 before closing the day around 1.1824 in the New York session.



Yen

The Japanese yen weakened again yesterday as markets continued to adjust to higher interest rates and prospects for economic growth following news on Monday of encouraging results for a coronavirus vaccine. The dollar has started moving up with gains in equities in a switch from its safe-haven status during the COVID-19 crisis when it tended to move in the opposite direction. Overall, the USD/JPY traded with a low of 104.42 and a high of 104.52 before closing the day around 103.47 in the U.S session.



British Pound

The British Pound ended the day flat against the euro and down against a stronger dollar yesterday, as optimism that a vaccine against COVID-19 would bolster the U.K economy was tempered by a lack of progress in Brexit negotiations. The pound benefited as investors judged that a vaccine would be a particular boon to the UK, which has seen its economy ravaged by the coronavirus. Overall, the GBP/USD traded with a low of 1.2930 and a high of 1.3152 before closing the day at 1.3145 in the New York session.



Canadian Dollar

The Canadian Dollar fell yesterday retreating from the more than 2-year high hit in the previous session after a promising coronavirus vaccine development boosted demand for riskier currencies. The Canadian dollar rallied to its highest level against the U.S dollar in a little over two years on Tuesday before the pro-risk rally stalled. The loonie found some support from continued strength in the price of oil. Overall, USD/CAD traded with a low of 1.3025 and a high of 1.3175 before closing the day at 1.3042 in the New York session.



Appendix

FOREX Closing Prices for November 11, 2020					
Currency	Open	High	Low	Close	Net Chg
EUR/USD	1.18167	1.18319	1.17441	1.17761	-0.0038
USD/JPY	105.282	105.659	104.986	105.407	0.1210
GBP/USD	1.32661	1.33024	1.31887	1.32206	-0.0049
USD/CHF	0.91417	0.91901	0.91362	0.91714	0.0020
USD/CAD	1.30241	1.30752	1.30056	1.30612	0.0031
EUR/JPY	124.415	124.652	123.898	124.141	-0.2400
GBP/JPY	139.695	140.176	139.176	139.372	-0.3520
CHF/JPY	115.156	115.187	114.734	114.917	-0.1120
AUD/JPY	76.656	77.061	76.471	76.717	0.0510
EUR/GBP	0.89042	0.89169	0.88591	0.89052	0.0005
EUR/CHF	1.07987	1.08222	1.07797	1.07984	-0.0012
GBP/CHF	1.21265	1.2196	1.21064	1.21276	-0.0020

Daily Pivot Points							
Contract	Trading Range						
	S3	S2	S1	Pivot	R1	R2	R3
EURUSD	1.1648	1.1696	1.1736	1.1784	1.1824	1.1872	1.1912
USDJPY	104.37	104.68	105.04	105.35	105.72	106.02	106.39
GBPUSD	1.3058	1.3124	1.3172	1.3237	1.3286	1.3351	1.3399
USDCHF	0.9088	0.9112	0.9142	0.9166	0.9196	0.9220	0.9250
USDCAD	1.2950	1.2978	1.3019	1.3047	1.3089	1.3117	1.3159
EURJPY	123.05	123.48	123.81	124.23	124.56	124.98	125.32
GBPJPY	137.97	138.57	138.97	139.57	139.97	140.57	140.97
CHFJPY	114.25	114.49	114.71	114.95	115.16	115.40	115.61
AUDJPY	75.85	76.16	76.44	76.75	77.03	77.34	77.62
EURGBP	0.8813	0.8836	0.8871	0.8894	0.8928	0.8952	0.8986
EURCHF	1.0736	1.0758	1.0778	1.0800	1.0821	1.0843	1.0863
GBPCHF	1.2001	1.2054	1.2091	1.2143	1.2180	1.2233	1.2270

Sources: News, Charts & Quotes (Courtesy: Reuters, US Department Of Treasury)

Disclaimer: This document has been prepared by IGI Finex Securities Limited and is for information purposes only. Whilst every effort has been made to ensure that all the information (including any recommendations or opinions expressed) contained in this document (the information) is not misleading or unreliable, IGI Finex Securities Limited makes no representation as to the accuracy or completeness of the information. Neither IGI Finex Securities Limited nor any director, officer or employee of IGI Finex Securities Limited shall in any manner be liable or responsible for any loss that may be occasioned as consequence of a party relying on the information. This document takes no account of the investment objectives, financial situation and particular needs of investors, who shall seek further professional advice before making any investment decision. This document and the information may not be reproduced, distributed or published by any recipient for any purpose.

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