

## WEEKLY MARKET REPORT

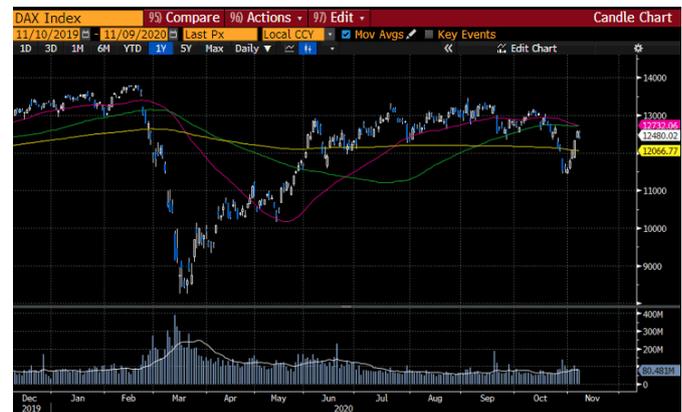
## GLOBAL MARKET

The new president of the United States is Joe Biden. Before the closing of the markets on Friday evening there was still no official announcement which, however, arrived over the weekend. Therefore there were 3 days during which uncertainty should have dominated. However, this was not the case. The markets rallied on the day of the vote and then continued with extreme force until the end of the week. The reports speak for themselves: S&P 500 + 7.32%, DOW JONES 6.87%, NASDAQ + 9.01%. More or less on the same wavelength DJEUROSTOXX50 + 7.40%, DAX30 + 7.99%, CAC40 + 7.98% but above all our FTSE MIB + 9.69%. A decisively violent movement that has brought the values back to levels prior to the second wave of COVID infections. Apparently, there should be no fears of a hands-down victory by the Democrats. This has removed the danger of a decisive change in economic policy as had been feared at the beginning of the dispute (increase in taxes and regulation), bringing the attention of investors back to the aforementioned plan to stimulate the economy, a plan which both parties consider necessary. Then, to enhance the strength of the movement, some psychological factors presumably intervened such as the desire to rebound after a consistent correction, the optimism on a rapid synthesis of the anti-Covid vaccine and the reassuring presence of the Fed, always ready to support cycles and financial assets until the arrival of the aforementioned fourth stimulus round. In addition to this there are also social motivations supporting the recovery; in fact, in the event of Trump's re-election, social unrest was feared which, at this point, would have no reason to exist.

## DAX

The week of the American elections brought a strong push also in the European lists, such that the DAX from the lows of 11450 is brought back to 12480, recovering well by more than 1000 points.

Resistance 12900, 13150 and 13350. Support 12250, 12100 and 11480.



## NASDAQ

As is customary for the markets to celebrate during the presidential elections, the NASDAQ has revised the highs of October, resuming to travel on the bullish trend. The next resistance is at an 12440 all time high. Supports 11650 11280 11050.



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### EUR/USD

The pair is trading in the range of 1.161 / 1.191 with expected high volatility on the stock and currency markets ahead of the US election and the uncertainty related to fiscal and monetary stimulus on the US side given the Biden win.

This week, ECB President Christine Lagarde, Fed Chair Jerome Powell and BoE's Andrew Bailey will discuss world trade policy and we shall follow close the developments on the 10th WTO-approved \$4 billion tariffs against the US.

For the pair, a break above the resistance at 1.191 will likely trigger a move higher towards the next resistance at 1.223. On the flip side, a break below the support at 1.161 will likely push the price down to the next support at 1.142. The weeks ahead will be very volatile with many drivers playing important roles on the price action. Nevertheless, we keep our bearish outlook in the near term for the pair.



### GOLD

Gold price action printed an impressive 4% weekly gain in the wake of the US election. The precious metal gained ground largely on the back of broad-based US Dollar weakness. With election risk seemingly in the rearview mirror, the VIX Index slide sharply as well. This likely reflects improved market sentiment and liquidity conditions - a theme recently highlighted as a potential catalyst for higher gold prices.

The precious metal has been trading lower since August, with an exception for the last week spike, and we foresee the same downtrend for the time being with a possible extension to the support at \$1705. However, given the high uncertainty due to the pandemic situation and its effects on the global economy, we might see traders moving to safe haven assets like gold pushing the price higher further down the road aiming towards the next resistance at \$2080.



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TOP GAINERS			S&P500			TOP LOSERS		
NAME	LATEST PRICE	+/- %	NAME	LATEST PRICE	+/- %			
News b	15.14	8.92%	Flowserve	28.65	-9.39%			
News	15.16	8.29%	Biogen	328.9	-7.52%			
Mettler - Toledo International	1181.11	7.01%	DXC Technology	18.11	-7.51%			
Albermarle	112.22	6.37%	Electronic Arts	119.19	-7.12%			

Directional views

Tactical view for week

EQUITIES



BONDS



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