

# MARKET UPDATE

**21/11/2024**

## **Gold prices rise as Russia-Ukraine fuel haven demand.**

Gold prices rose in Asian trade on Thursday as heightened tensions between Russia and Ukraine underpinned safe haven demand, helping bullion weather strength in the dollar.

Gold rose for a fourth consecutive session, extending a rebound from over two-month lows. But the yellow metal's pace of gains now appeared to be slowing amid pressure from the dollar, as traders second-guessed expectations for lower U.S. interest rates.

Spot gold rose 0.2% to \$2,656.84 an ounce, while gold futures expiring in December rose 0.3% to \$2,659.15 an ounce by 00:00 ET (05:00 GMT).

The yellow metal was underpinned by higher safe haven demand in the face of increased tensions between Russia and Ukraine, after the U.S. authorized the use of long-range missiles by Kyiv.

Russia had responded by lowering its threshold for nuclear retaliation, and warned of a dire escalation in the conflict over the U.S. move. Ukraine launched a series of missile strikes against Russian territories this week, using Western-made weapons.

Fears of an escalation in the conflict drove traders towards gold, helping the yellow metal recover after it plummeted from record highs over the past two weeks.

## **Dollar stalls as market weighs Trump policies.**

The U.S. dollar paused its climb on Thursday as traders awaited more clarity on U.S. President-elect Donald Trump's proposed policies and sought to second-guess the prospects of less aggressive interest rate cuts from the Federal Reserve.

Meanwhile, bitcoin sped toward \$100,000, continuing a blistering rally in the past few weeks on hopes the president-elect will create a friendlier regulatory environment for cryptocurrencies.

Bitcoin reached a record high of \$97,902 on Thursday, underpinned by a report Trump's social media company was in talks to buy crypto trading firm Bakkt. It was last up 2.54% at \$96,860. The dollar index was down 0.11% at 106.49, but was holding onto most of the previous session's gains after investors lifted the dollar index measure against its key rivals closer to a one-year high of 107.07 hit last week.



## Nvidia earnings analysts upbeat.

Analysts maintained a largely positive view on NVIDIA Corporation (NASDAQ:NVDA) after the chipmaker clocked consensus-beating third-quarter earnings and presented a modest outlook for revenue in the current quarter.

The company clocked third-quarter adjusted earnings per share of \$0.81, beating estimates of \$0.75. It forecast a fourth-quarter revenue of \$37.5 billion, plus or minus 2%, slightly above Reuters estimates of \$37.09 billion.

The revenue forecast presented a sharp slowdown in Nvidia's quarterly revenue growth, given that the company guided much stronger year-on-year increases in revenue for the past three quarters.

This was a point of contention for investors, with Nvidia's shares initially falling as much as 5% in aftermarket trade on Wednesday. But they pared a bulk of these losses.

Analysts, however, maintained a largely optimistic stance on the company, which became the world's most valuable listed firm in the run-up to its earnings.

A particular point of optimism was Nvidia's upcoming Blackwell line of advanced artificial intelligence chips. The chipmaker reiterated that demand from the AI industry remained robust, and was expected to potentially outpace its ability to supply the new chips in the near-term.

Morgan Stanley- maintain Overweight, bullish on Blackwell transition

Morgan Stanley (NYSE:MS) maintained its Overweight rating on Nvidia, stating that the incremental revenue guidance was as expected for what is set to be a "transitional quarter."

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