SF Advisory

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By Shaun French, Multi-Asset Trading & Research, SF Advisory

Chose a volatile week to return to the financial media :) Was a pleasure being invited on to [CNBC](#) [CNBC Arabia](#) US Markets Wrap with the great show host [May Ben Khadra](#) to discuss trade positioning and views ahead of and throughout the US Election week, including US Fed and BOE rate events. Read below for 1 minute run down of our convo; **hashtag#dollar** **hashtag#fx** **hashtag#bonds** **hashtag#rates** **hashtag#commodities** **hashtag#equities** **hashtag#vix**

US Election event ultimately out priced by fundamental macro price drivers:

1) 📉 📈 us US Election event ultimately out priced by fundamental macro price drivers within DM rate cutting cycle, expressed in stronger US dollar, slight pullback followed by a bullish dollar resuming on a Trump win, bond yields correlating with this move, notably the US 2yr and 10yr (to trade > 5.0 and 4.7 handle's respectively), equities mixed to overbought. The opposite trade for a Harris Win. Price divergence if no dislocations; Dollar Indx 103.26 to hold/big level 102.11 downside & 105.71/106.18 retest YTD highs. (Expressed in EURUSD 106.68 - 111.77, GBPUSD 1.2604 - 1.3305)

Disassociating gold and silver prices for the Election week:

2) We are disassociating gold and silver prices for the Election week, on the view that fundamentals such as fiscal and inflationary scarcity amongst central banks is one of the key buying drivers in precious metals. Wouldn't be surprised to see higher $2K handle or $3K and change in gold prices by YE 24.

Trading the US Fed into and beyond tomorrow evening:

3) Trading the US Fed into and beyond tomorrow evening (6th Nov) would be prudent if you take the view that rate cut path (arbitrary "dot plot") is unlikely to be impacted for Nov, Dec 24 and Jan 25. Noting the new US president will not be inaugurated until late Jan 25. Given no macro shocks, the dollar, risk ccys in FX and Equities, S&P could setup to take 100bps cuts by Q3 25.

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