

## **Gold dips as dollar gains, traders dial back US rate-cut bets**

By Brijesh Patel, Reuters, November 20, 2025

Gold prices slipped on Thursday, weighed down by a stronger dollar and reduced expectations for a Federal Reserve rate cut in December, with investors eyeing a delayed U.S. jobs report. Spot gold was down 0.4% at \$4,063.81 per ounce, as of 0653 GMT. U.S. gold futures for December delivery fell 0.5% to \$4,063.60 per ounce. "Gold right now is down primarily due to the fact that the rate-cut bets have been pared back quite remarkably in the last two weeks," OANDA senior market analyst Kelvin Wong said. "In the short-term perspective, this causes gold price to remain lacklustre below \$4,100 level. I see a resistance at \$4,155, then gold could potentially trade below close to the \$4,000-\$3,980 level."

The dollar index (.DXY) rose to a more than two-week high against its rivals, making gold more expensive for holders of other currencies. Minutes from the Fed's October meeting released on Wednesday showed it cut interest rates even as policymakers cautioned that doing so could risk entrenched inflation and a loss of public trust in the central bank. Traders now see nearly a 33% chance for a rate cut at the Fed's December 9-10 meeting, down from 49% on Wednesday, CME Group's FedWatch tool showed. Non-yielding gold tends to do well in a low-interest-rate environment and during times of economic uncertainties. The focus is now on the September U.S. non-farm payrolls report, scheduled for later in the day after being delayed due to the recent U.S. government shutdown. The data is expected to provide further cues on the Fed's policy trajectory. Economists polled by Reuters expect the report will show that employers added 50,000 jobs during the month. SPDR Gold Trust, the world's largest gold-backed exchange-traded fund, said its holdings rose 0.22% to 1,043.72 tonnes on Wednesday from 1,041.43 tonnes on Tuesday. Elsewhere, spot silver fell 0.6% to \$51.07 per ounce, platinum was flat at \$1,546.80 and palladium added 0.6% to \$1,388.58.

## **Stocks soar on Nvidia earnings relief as markets brace for US jobs data**

By Gregor Hunter, Reuters, November 20, 2025

A relief rally swept across Asian markets and lifted stocks on Thursday as investors cheered Nvidia's market-topping earnings, while the dollar ticked up as traders braced for the release of delayed jobs data. Tech-heavy markets Japan, South Korea and Taiwan led the rally after Nvidia (NVDA.O) CEO Jensen Huang touted blockbuster demand for its AI chips from giant cloud providers and shrugged off concerns about an AI bubble. The remarks were backed by the world's most valuable company's forecast quarterly revenue well above Wall Street estimates, quelling some of the AI valuation fears that had triggered a rout in markets over recent sessions. Nvidia "delivered yet another master class in AI dominance," said Tony Sycamore, market analyst at IG in Sydney. That sentiment was echoed in major regional markets. Though gains cooled slightly as the day progressed, Tokyo's Nikkei 225 (.N225) was still up a sizable 2.6%, Korean stocks (.KS11) jumped 2.3%, and the Taiwanese market (.TWII) rallied 3.2% as tech manufacturers in the AI supply chain made big strides.

Stocks on Wall Street had snapped a four-day losing streak on Wednesday before Nvidia's earnings release as investors questioned whether the AI valuation concerns were overblown. In Asia, the Chinese market bucked the trend after an earlier rally, with Hong Kong's Hang Seng Index off 0.3% and a gauge of mainland stocks (.CSI300) erasing an earlier gain to decline 0.5%. Markets in Japan were also assessing news that the administration of Prime Minister Sanae Takaichi is reportedly preparing to pass a stimulus package that would be the country's biggest since the COVID-19 pandemic. The Japanese government bond market sold off sharply, with yields surging to record highs.

The U.S. dollar index, which tracks the greenback's strength against a basket of six major peers, advanced 0.2% to 100.25, hovering close to a two-week high. The yield on benchmark 10-year Treasury notes edged up 1.1 basis points to 4.1406% compared with its U.S. close of 4.131% on Wednesday. Traders are awaiting the release of September's delayed jobs report, due later in the global day, to provide clues on the Federal Reserve's next move. Minutes from the Fed's October meeting released on Wednesday showed it cut interest rates even as policymakers cautioned that doing so could risk entrenched inflation and a loss of public trust in the U.S. central bank. Fed funds futures are pricing an implied 33% probability of a 25-basis-point cut at the next meeting on December 10, down from a 50% chance a day earlier, according to the CME Group's FedWatch tool.

An updated schedule for the release of the November jobs report, now delayed until December 16, is behind the move, said Gavin Friend, senior markets strategist at National Australia Bank in London. "That's six days after the December FOMC meeting, and that's why the 12 or 13 basis points of rate cuts that were priced in for December, 50% or so, has been immediately evaporated," he said on a podcast. From the market's perspective, he said, the data fog "plays to the Fed's messaging that 'we need to pause'." The dollar rose 0.3% against the yen to 157.585, after the Japanese currency reached its weakest level in ten months during U.S. trading hours, and set a record-low against the euro. The yen has weakened steadily since Prime Minister Sanae Takaichi was elected leader of her party, losing more than 6% of its value and defying a rise in Japanese yields on unease about the scale of borrowing needed to fund her stimulus plans. Against the dollar, the

European single currency was 0.2% weaker on the day at \$1.1520. Brent crude rose 0.2% to \$63.64 per barrel as markets assessed the latest U.S. proposals to end the war in Ukraine and prepared for a U.S. deadline to cease operations with two major Russian oil firms.

## Target plans another \$1 billion investment to jumpstart sagging sales

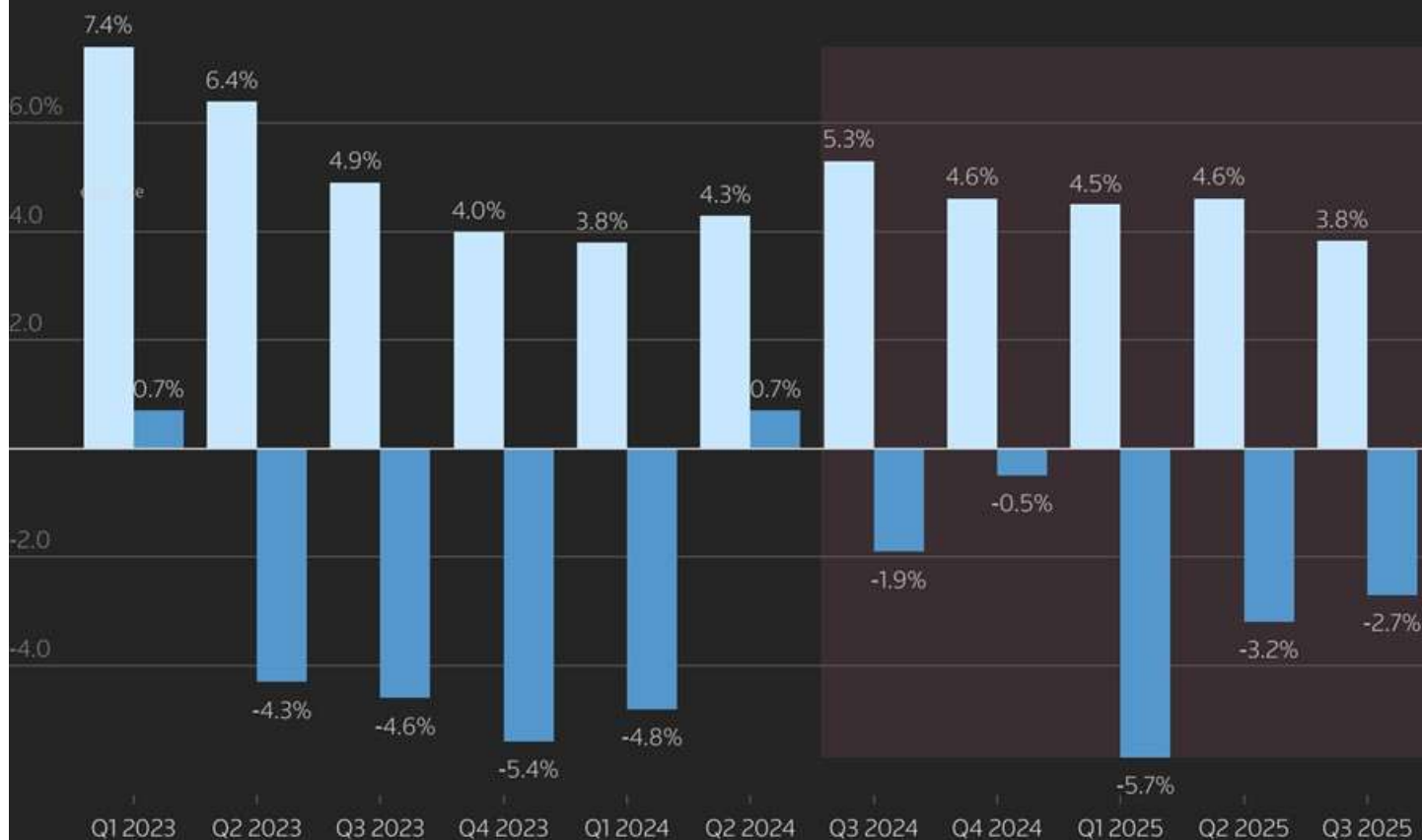
By Juveria Tabassum and Siddharth Cavale, Reuters, November 19, 2025

Target (TGT.N) reported a bigger-than-expected drop in comparable sales on Wednesday and offered a wide range of profit outcomes for its holiday quarter, as it cuts prices and makes investments to appeal to cash-strapped U.S. consumers. Shares of the Minneapolis-based retailer were down slightly in morning trading. The stock has lost nearly 35% of its value so far this year. The results mark the first full quarter since Target named longtime executive Michael Fiddelke as its new CEO in August to steer the business back to health. The retailer, which has reported three straight quarters of declining comparable sales, said it plans to invest about \$1 billion more in 2026 in new stores, remodels and an improvement in its digital business. On a post-earnings call, Fiddelke, who takes over the top job in February, laid out other efforts to turn Target around. The company is experimenting with a new operational model across 35 markets that redefines the role of stores in online order fulfillment. Under this approach, only select locations will handle picking and packing of online orders, while other stores will no longer perform that function at all.

### Target comparable store sales lag rival Walmart

Target has reported a comparable sales drop for five quarters in a row, hurt by a weaker consumer and merchandising issues, while Walmart has posted resilient growth led by lower prices

● Walmart comparable store sales ● Target comparable store sales



Note: Comparable sales refers to sales from stores open for at least 13 months; Target and Walmart's fiscal years end Jan 31

Source: Company filings | Juveria Tabassum

The incoming CEO also highlighted efforts to improve the shopping experience. In stores, digital tools are being introduced to speed up tasks like unloading and stocking, freeing team members to help guests. Online, Target has rolled out a generative AI-powered gift finder during the holiday season. The company is also modernizing inventory forecasting and

positioning through machine learning, which made its top 5,000 items more readily available, he said. These efforts follow Fiddelke's move to cut 1,800 corporate roles last month. "It is too early to see meaningful changes in these results from the incoming new CEO Michael Fiddelke, who doesn't fully take over until the start of next fiscal year. But, during the quarter, we saw some decisive actions from Mr. Fiddelke," D.A. Davidson analyst Michael Baker said.

## SALES DRAG CONTINUES

Target's results come days after the longest U.S. government shutdown in history delayed federal pay and food-stamp benefits, and unsettled consumers. Still-high inflation and tariff worries are other factors that have forced consumers to retrench. These factors had an impact on Target's results. Total comparable sales - from online channels and stores open for at least 13 months - fell 2.7% in the third quarter, compared with estimates of a 2.08% drop, according to LSEG. Shares were down 2.1%. It also hit home improvement chains Home Depot (HD.N) and Lowe's (LOW.N), which lowered annual expectations this week amid a still-muted housing market. On the other hand, TJX (TJX.N), which made its name selling branded goods at cheap prices, raised its annual profit target. Walmart (WMT.N), which reports results on Thursday, is expected to be another beneficiary of the consumer slowdown. Its focus on cheap groceries and household essentials, and investments into technology to deliver those items quickly to customers' doorsteps, have helped it take market share from Target, according to UBS analyst Michael Lasser. Target has reported a quarterly comparable sales drop for five quarters in a row, hurt by a weaker consumer and merchandising issues, while Walmart posts resilient growth led by lower prices.

## BANKING ON LOWER PRICES

Despite a weak third quarter, Target on Wednesday reaffirmed its forecast for low-single-digit sales declines for the fourth quarter that encompasses the holiday season. The company cut the top end of its annual earnings forecast by a dollar to a range of \$7.00 to \$8.00 per share, excluding severance charges and other one-time items. Baker of D.A. Davidson said the forecast implied holiday quarter profits between \$1.87 and \$2.87 per share, equating to operating margins of 4.2% to 7.7%. On the post-earnings call, he noted the range was "pretty wide," and pressed Target's management to clarify margin expectations within that outlook. In response, Target executives said the wider EPS range was a deliberate move after fluctuating trading conditions in the third quarter and to account for a "continued volatile environment." The forecast also factors in recent price cuts Target has implemented, executives said. Mounting economic pressures have led to multiple forecasts signaling a subdued holiday shopping season this year. To appeal to cost-conscious shoppers, Target slashed prices on 3,000 everyday items, including food and household staples in November and introduced a cheaper Thanksgiving meal kit. Target earned \$1.78 a share in the third quarter ended Nov. 1, beating analysts' estimates of \$1.72. Total revenue fell 1.6% to \$25.27 billion, just shy of estimates.

## **Lowe's trims annual forecasts but quarterly profit beat lifts shares**

By Savyata Mishra, Reuters, November 19, 2025

Lowe's Cos (LOW.N) signaled a strong start to the fourth quarter after topping profit estimates, but followed Home Depot in projecting muted annual earnings and sales as budget-conscious Americans defer major home improvement projects. The cautious outlook on Wednesday comes as U.S. households grapple with rising costs for everyday essentials, auto insurance, and healthcare, while interest rates remain high and tariffs fuel economic uncertainty. Lowe's shares rose about 3% in early trading, set to rebound from Tuesday's decline after Home Depot's (HD.N) somber report. CEO Marvin Ellison noted that sales had picked up in November, led by demand for seasonal decor categories, tools and appliances. Ellison's quarter-to-date comment was notably upbeat compared to the company's Atlanta-based rival's more cautious tone a day earlier, J.P. Morgan analysts said, though Lowe's full-year guidance still signals a conservative stance. Adjusted earnings came in at \$3.06 per share in the third quarter, topping estimates of \$2.97.

Lowe's now expects comparable sales to be flat year-on-year compared with the flat to up 1% range it forecast in August. It trimmed its full-year adjusted earnings per share forecast to about \$12.25, compared with its prior target of \$12.20 to \$12.45. Retail giant Target (TGT.N) reported a bigger-than-expected drop in comparable sales as cash-strapped U.S. consumers pulled back spending on apparel and home decor.

## PRO BUSINESS INVESTMENTS PAY OFF

Lowe's has spent billions this year to buy Foundation Building Materials and Artisan Design Group to boost its appeal among professional contractors, mirroring a strategy pursued by Home Depot. "We believe the market is looking through to the strategic value of the recent acquisitions...which provide Lowe's with crucial exposure to the homebuilder segment," CFRA analyst Arun Sundaram said. Same-store sales edged up 0.4% in the quarter ended Oct. 31, missing analysts' average estimate for a 1% increase, according to data compiled by LSEG.