

FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Forexlive)

EURUSD

The EUR/USD is looking to surpass 1.0220 to record more gains as DXY has extended losses. Investors will focus on US GDP numbers for further guidance on the asset. On the eurozone front, soaring odds of an energy crisis are escalating the expectations of recession as Russia has cut off energy supply from its main pipeline to Europe. Germany may face severe heat amid its higher dependency on Russian energy imports. Also, the eurozone GDP is of utmost importance, which is seen lower at 3.4% vs. 5.4% in the former period.

GBPUSD

The pound floated higher against the dollar, its gains tethered by yet more soft economic indicators, underscoring economic issues. Confidence among British employers about hiring and investment is at its lowest since the depths of the pandemic due to decades-high inflation and an acute shortage of workers; a survey showed on Wednesday.

USDJPY

The yen catapulted higher against major peers as lowered expectations for rate hikes caused hedge funds to cover short bets from one of the biggest global macro trades of the year.

Fx rates	Last	High	Low	% Daily	%Weekly	% YTD
EUR-USD	1.0224	1.0226	1.0180	0.24	-0.06	-10.08
GBP-USD	1.2178	1.2186	1.2143	0.16	1.53	-10.01
USD-JPY	135.30	136.5800	135.1100	-0.94	1.52	-14.94
USD-CHF	0.9585	0.9602	0.9572	-0.14	0.86	-4.76

Commodities	Last	High	Low	% Daily	%Weekly	% YTD
Gold	1738.81	1741.78	1733.90	0.27	1.16	-4.94
Silver	19.31	19.32	19.06	1.15	2.37	-17.17
Crude Oil	98.53	98.95	97.59	1.31	2.26	37.69
Bitcoin	23223.82	23445.76	22587.68	1.93	4.00	-49.88
Etherium	1650.56	1676.10	1594.59	3.07	8.21	-55.25

Period	1 M	3 M	12 M
USD LIBOR	2.35	2.79	3.81
EURIBOR	-0.09	0.21	1.03

Notes/Bonds	2 Y	10 Y	30 Y
US	3.00	2.79	3.06

INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

The Nasdaq jumped more than 4% on Wed. in its biggest daily percentage gain since April 2020 as the Fed raised interest rates as expected and comments by Fed Chair Jerome Powell eased some investor worries about the pace of rate hikes. Growth stocks results spark rally as Alphabet soars 7.74% and Microsoft up 6.69%.

EUROPE

European shares scaled near seven-week highs on Wed. as a string of strong results from companies including Russia-exposed lender UniCredit and Britain's Smurfit Kappa provided some comfort in an otherwise gloomy environment. Adidas slides after outlook cut.

ASIA

China stocks rose on Thursday, buoyed by low market rates in the country amid tightening monetary policies worldwide, while Hong Kong shares dropped after the city's central bank raised its base rate by 75 basis points.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	32197.59	1.37	4.04	-11.39	32137.00	-0.14
S&P	4023.61	2.62	5.29	-15.58	4017.75	-0.20
Nasdaq	12032.42	4.06	7.61	-23.09	12569.50	-0.43
DJ EuroStoxx50	3607.78	0.91	1.65	-16.07	3624.00	0.47
FTSE 100	7348.23	0.57	0.34	-0.49	7320.00	0.22
CAC 40	6257.94	0.75	2.82	-12.51	6257.00	N/A
DAX	13166.38	0.53	-0.49	-17.11	13206.00	0.33
IBEX 35	8124.40	0.68	-2.32	-6.76	8126.30	N/A
FTSE MIB	21480.70	1.52	-2.81	-21.45	21466.00	N/A
Nikkei	27715.75	0.24	2.70	-3.51	27760.00	0.00
Hang Seng	20670.04	-0.30	-8.08	-11.92	20613.00	-0.23
DFM General	3260.53	0.41	0.24	2.02	N/A	N/A
MSCI Tadawoul	12052.18	0.74	3.26	6.83	N/A	N/A

Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	60.25	61.00	59.70	0.00	-2.27	84.53
Solidere B	59.55	59.55	59.55	-1.81	-3.80	78.72

MUST READ

(Source: Bloomberg / Forexlive)

The Subtle Shift Came: Why Markets Soared During Powell's Press Conference

At the very beginning of the statement there was actually some apprehension from markets as Powell struck a dower tone and repeated lines from the statement and said "inflation is much too high" and "the labor market is much too tight." But markets flipped when he said: "Another unusually large increase could be appropriate but it's dependent on data between now and then" The text of that line doesn't quite capture the tone. He gave the impression that another 75 bps is unlikely. It was subtle but it was that shift that markets were looking for. In the Q&A he added to it by saying, "We think it's time to go to a meeting by meeting basis and not provide clear guidance." Another important bit was what he didn't say. He was asked about the market pricing in rate cuts in 2023 and chose not to push back, saying that predicting markets 6-12 months out is tough. Coming into the meeting, the Fed funds market was seeing 75 bps in Sept as 50/50. It's now at 70% for 50 bps. The result is a whopping 4.3% rally in the Nasdaq and drop in the US dollar across the board. The market still has the memory of the pop and reversal on the Fed decision earlier this year so I'm not confident in that move extending but a soft GDP report in the day ahead (but not too soft) would keep the momentum going because it would show the Fed doesn't need to hike much further.

MAIN WEEKLY EARNINGS

(Source: Nasdaq)

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
Apple Inc.	AAPL US	\$ 2.6 T	28-Jul-22	After-mkt	1.14	1.30
Amazon.com	AMZN US	\$ 1.2 T	28-Jul-22	After-mkt	0.15	0.76
Mastercard Inc.	MA US	\$ 166 B	28-Jul-22	Pre-mkt	2.36	1.95
Pfizer, Inc.	PFE US	\$ 287 B	28-Jul-22	Pre-mkt	1.83	1.07
Merck & Comp.	MRK US	\$ 227 B	28-Jul-22	Pre-mkt	1.68	1.31
Intel Corp.	INTC US	\$ 160 B	28-Jul-22	After-mkt	0.74	1.28
Fortis Inc.	FTS CN	\$ 22 B	28-Jul-22	Pre-mkt	0.61	0.55
Roku, Inc.	ROKU US	\$ 12 B	28-Jul-22	After-mkt	-0.77	0.52
Lennox Int.	LII US	\$ 8 B	28-Jul-22	Pre-mkt	4.77	4.57
Harley-David.	HOG US	\$ 5 B	28-Jul-22	Pre-mkt	1.22	1.41

ECONOMIC CALENDER

(Source: Forexlive)

- EA- Consumer Confidence JUL
- EA- Business Climate JUL
- DE- Harmonized Index of Consumer Prices Preliminary JUL
- US- GDP Growth Rate Preliminary Q2
- US- Core Personal Consumption Expenditure Preliminary Q2
- US- Real Consumer Spending Preliminary Q2

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