

Daily Market Brief

October 6 2023



FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

EURUSD

EUR/USD struggles to gain any meaningful traction on Friday. The technical setup seems tilted in favour of bears and supports prospects for further decline. Spot prices currently trade just below the 1.0550 level, nearly unchanged for the day, as traders keenly await the release of the closely-watched US monthly employment details, popularly known as the Non Farm Report.

GBPUSD

GBP/USD looks to retrace recent gains, trading slightly lower around 1.2180 during the Asian session on Friday. However, the pair received upward support, which could be attributed to the correction in the US Dollar (USD) following the decline in US Bond yields.

USDJPY

Japan's new interpretation of "excessive" yen volatility is aimed at keeping investors on guard rather than lowering the threshold for actual intervention, say experts, who expect yen bears to remain resilient until domestic monetary conditions tighten.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.0536	1.0551	1.0534	-0.13	-0.35	-1.58
GBP-USD	1.2167	1.2194	1.2167	-0.21	-0.26	0.70
USD-JPY	148.90	148.91	148.36	0.26	0.32	-11.94
USD-CHF	0.9142	0.9143	0.9123	0.21	0.12	1.13
Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	1819.14	1824.59	1819.07	-0.06	-1.60	-0.27
Silver	20.89	21.04	20.88	-0.42	-5.84	-12.81
Crude Oil	82.62	82.96	82.26	0.38	-9.00	6.18
Bitcoin	27510.00	27596.04	27396.82	0.11	1.46	66.33
Etherium	1621.66	1625.29	1610.75	0.29	-3.15	35.21
Period	1 M		3 M		12 M	
USD LIBOR *	5.44		5.68		6.04	
EURIBOR	3.83		3.96		4.21	
SOFR	5.34		5.41		5.43	
Notes/Bonds	2 Y		10 Y		30 Y	
US	5.03		4.73		4.90	
BTP - BUND	0.87		1.99		2.26	
GILTS	4.89		4.54		5.00	

INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

U.S. stocks ended just slightly lower after bouncing off session lows on Thursday as investors awaited Friday's monthly jobs report and further possible clues on the outlook for interest rates. Friday's monthly payrolls report could be the week's most important economic news, however, investors remained concerned about whether the Federal Reserve will keep rates higher for longer.

EUROPE

European shares ended higher today after a three-day sell-off as both US Treasury and euro zone bond yields retreated, while a fall in oil prices pushed airline stocks higher.

ASIA

Asian shares mostly rose in cautious trading Friday after Wall Street drifted to a quiet close on worries about a too-hot U.S. job. Shares in Hong Kong jumped on strong buying of property and technology stocks that have seen sharp losses in recent trading sessions. However, troubled property developer China Evergrande's shares were down 6.3%

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	33119.57	-0.03	-3.84	-0.08	33256.00	-0.15
S&P	4258.19	-0.13	-4.64	10.90	4284.00	-0.16
Nasdaq	13219.83	-0.12	-4.70	26.31	14849.00	-0.09
DJ EuroStoxx50	4099.81	0.00	-3.27	8.07	4134.00	0.29
FTSE 100	7451.54	0.53	0.34	0.00	7518.50	0.36
CAC 40	6998.25	0.02	-2.72	8.10	7031.50	N/A
DAX	15070.22	-0.20	-4.26	8.24	15229.00	0.28
IBEX 35	9157.70	0.60	-1.68	11.28	9194.00	N/A
FTSE MIB	27490.81	0.20	-2.55	15.96	27615.00	N/A
Nikkei	31075.36	-0.26	-6.76	18.78	31050.00	0.10
Hang Seng	17213.87	1.58	-5.23	-11.61	17526.00	1.57
DFM General	4142.92	0.28	2.89	24.54	N/A	N/A
MSCI Tadawoul	10764.85	-0.70	-4.72	2.73	N/A	N/A
Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	77.40	78.00	77.00	0.52	2.11	27.09
Solidere B	77.20	77.95	77.00	0.06	0.00	27.92

MUST READ

(Source: Bloomberg/ Forexlive)

Supply Chains: The Panama Canal

The Panama Canal Authority further reduced the number of boats that can transit through the strategic waterway, which has been hit by an intense drought. Only 31 ships will be allowed through the canal per day from November 1, down from circa 36 to 38 daily ship crossings during normal operations. The announcement was a further cut from the earlier figure of 32, imposed in August. That restriction caused a backlog of hundreds of vessels waiting to cross the canal. Ships that usually crossed the canal in two-and-a-half days had to wait more than nine to make the journey. The canal authority reported that traffic had returned to normal by early September. As of October 2, there were about 95 boats waiting to cross the canal. Ricaurte Vásquez Morales, the administrator of the canal, previously predicted the canal's income could fall by as much as \$200 million next year because of the reduced traffic.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
Pepsico, Inc.	PEP US	232.52 M	10-Oct-23	Pre-mkt	2.16	1.97
Neogen Corporati	NEOG US	3.8 B	10-Oct-23	Pre-mkt	14.00	15.00
Blackrock Inc	BLK US	95.65 B	13-Oct-23	Pre-mkt	8.50	9.55
JPMorgan Chase	JPM US	416.59 B	13-Oct-23	Pre-mkt	3.84	3.12
Wells Fargo & Co	WFC US	142.93 B	13-Oct-23	Pre-mkt	1.24	1.30

ECONOMIC CALENDAR

(06-10-23) DE - Factory orders MoM
(06-10-23) CA - Unemployment rate
(06-10-23) CH - Unemployment rate
(06-10-23) US - Unemployment rate
(06-10-23) US - Change in nonfarm payrolls
(06-10-23) CA - Net change in employment
(06-10-23) JP - Household spending YoY

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