

Daily Market Brief

March 1st 2024



FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

EUR/USD

EUR/USD drifted back into the 1.0800 handle once again on Thursday after weak-kneed German Retail Sales & CPI inflation came in mixed but missed the mark overall. The US PCE Price Index printed at median market forecasts, but investor confidence still wavered as US inflation remains too high for the Fed to rush into rate cuts.

GBP/USD

The GBP/USD pair attracts some buying during the Asian session on Friday. The US PCE Price Index released on Thursday showed that annual inflation in January was the lowest in three years and reaffirmed bets for an eventual rate cut by the Fed. This, in turn, fails to assist the USD Index (DXY) to capitalize on the previous day's bounce. The GBP draws support from the fact that the BoE policymakers have been trying to push back against market expectations for early interest rate cuts.

USD/JPY

The USD/JPY trades with losses below the Tenkan-Sen level of 150.03, following "hawkish" comments by a Bank of Japan (BoJ) member, Takata. He said the BoJ needs to consider taking a flexible response, including exiting from monetary policy stimulus, which investors perceived as a normalization of monetary policy.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.0815	1.0822	1.0801	0.09	-0.06	-2.03
GBP-USD	1.2634	1.2636	1.2619	0.07	-0.30	-0.76
USD-JPY	150.38	150.48	149.96	0.27	0.09	-6.21
USD-CHF	0.8849	0.8856	0.8840	0.05	-0.45	-4.92
Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	2048.27	2048.48	2042.88	0.19	0.63	-0.71
Silver	22.76	22.79	22.64	0.38	-0.82	-4.34
Crude Oil	78.43	78.61	78.22	0.22	2.54	8.92
Bitcoin	61736.22	61764.85	60745.24	0.50	19.25	45.23
Etherium	3392.80	3398.85	3305.32	1.26	9.11	48.66
Period	1 M	3 M	12 M			
EURIBOR	3.86	3.94	3.75			
SOFR	5.32	5.33	5.07			
Notes/Bonds	2 Y	10 Y	30 Y			
US	4.62	4.25	4.38			
BTP - BUND	0.55	1.43	1.85			
GILTS	4.30	4.12	4.57			

INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

The Nasdaq Composite advanced Thursday, rising to its first closing record since November 2021. Data released on Thursday showed the Federal Reserve's preferred measure of inflation was stubbornly above the central bank's target in January, but at least didn't exceed Wall Street forecasts. There were also signs that consumer spending remains robust.

EUROPE

European markets closed marginally higher Thursday, as investors monitored key inflation data. German consumer price inflation also came in line with forecasts at 2.7% year-on-year, ahead of euro zone figures due out on Friday. European sectors were mixed, with construction stocks up 1.2% while health care and food and beverage both fell 0.7%.

ASIA

Asian stocks gained Friday, after U.S. stocks climbed to all-time highs Thursday. Japan's unemployment rate dropped to 2.4% in January, from a revised 2.5% recorded in the previous month, while the purchasing managers index for manufacturing activity fell to 47.2 in February.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	38996.39	0.12	1.24	3.47	39081.00	0.10
S&P	5096.27	0.52	3.87	6.84	5114.25	0.21
Nasdaq	16091.92	0.90	4.75	7.20	18146.25	0.35
DJ EuroStoxx50	4877.77	-0.12	5.16	7.88	4916.00	0.47
FTSE 100	7630.02	0.07	0.10	-1.33	7675.00	0.63
CAC 40	7927.43	-0.34	4.46	5.09	7983.50	N/A
DAX	17678.19	0.44	4.86	5.53	17816.00	0.38
IBEX 35	10001.30	-0.67	-0.13	-1.00	10027.30	N/A
FTSE MIB	32580.94	-0.11	6.16	7.34	32630.00	N/A
Nikkei	39910.82	1.90	10.83	19.26	40000.00	1.88
Hang Seng	16511.44	0.48	6.58	-2.68	16566.00	0.65
DFM General	4308.77	-0.57	1.52	5.53	N/A	N/A
MSCI Tadawoul	12630.86	0.15	6.01	5.54	N/A	N/A

Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	77.70	77.95	74.00	0.00	1.77	-12.79
Solidere B	74.75	75.85	72.00	2.47	-5.44	-16.90

MUST READ

(Source: Bloomberg/ Forexlive)

US stocks up after inflation data to end February with strong gains

US stocks climbed on Thursday, cementing a winning month for investors and continuing this year's strong rally. Major averages ended the day higher, and the S&P 500 and the Nasdaq Composite closed at record highs. The Dow Jones Industrial Average notched a four-month winning streak for the first time since May 2021, while the S&P 500 climbed more than 4.5% during the month, bringing its year-to-date gain to about 6.8%. Investors took in fresh inflation data before markets opened, with the US Department of Commerce reporting the personal consumption expenditures price index rose 0.3% month-over-month, and 2.4% year-over-year, matching consensus estimates. Core PCE also fell in line with expectations, rising 0.4% month-over-month and 2.8% compared to a year ago. Economists at Macquarie wrote in a note that the latest data suggest gradual disinflation remains likely. "There is no change to our FOMC baseline call with this release," the economists wrote in a Thursday note. "We continue to expect the first rate cut in July, a total of 50 bps of cuts in 2024, and a further 50 bps in 2025." Bitcoin on Thursday continued its rise back toward all-time highs. The coin traded as much as 6% higher during the day before paring gains. It spiked again late in the day after Bloomberg reported that Wells Fargo and Bank of America would begin offering clients access to the approved spot ETFs. Bitcoin traded at \$62,280 late Thursday afternoon. In the housing market, new data on pending home sales showed an unexpected drop in January as mortgage rates continue to hover near 7%.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
Middlesex Water	MSEX US	\$ 906.2M	01-Mar-24	Pre-mkt	0.47	0.33
Omega Therapeu	OMGA US	\$ 226.6M	01-Mar-24	Pre-mkt	-0.45	-0.50
Culp Inc	CULP US	\$ 61.4M	01-Mar-24	Pre-mkt	-0.19	-0.70
Syros Pharmaceu	SYRS US	\$ 188.8M	01-Mar-24	Pre-mkt	-1.14	-0.85
Nextcure Inc	NXTC US	\$ 48.3M	01-Mar-24	Pre-mkt	-0.54	-0.62

ECONOMIC CALENDAR

(01-03-24) JP - Jobless Rate
(01-03-24) UK - Nationwide House PX MoM
(01-03-24) IT - HCOB Italy Manufacturing PMI
(01-03-24) EA - CPI Estimate YoY
(01-03-24) IT - Unemployment Rate
(01-03-24) US - S&P Global US Manufacturing PMI
(01-03-24) US - University of Michigan Sentiment

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