

Daily Market Brief

November 01 2023



FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

EURUSD

The EUR/USD initially reached weekly highs but then turned downward on Tuesday, driven by a stronger US Dollar as markets prepared for US employment data and the FOMC meeting. Inflation and growth data from the Euro came below expectations.

GBPUSD

The GBP/USD pair remains on the defensive during the early Asian session on Wednesday. The major pair faces rejection near the 1.2200 mark. Market players await the highly anticipated Federal Open Market Committee (FOMC) policy meeting on Wednesday ahead of the Bank of England (BoE) on Thursday. These events might trigger the volatility in the market. GBP/USD currently trades near 1.2139, losing 0.11% on the day.

USDJPY

USD/JPY trades around 151.20 during the Asian session on Wednesday, pulling back from the yearly high marked after the Bank of Japan (BoJ) removed the 1% ceiling for the 10-year government bond yield on Tuesday. BoJ Governor Kazuo Ueda adopted a notably dovish stance. He expressed apprehensions about inflation not definitively reaching the BoJ's long-term targets.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.0574	1.0581	1.0565	-0.01	0.08	-1.22
GBP-USD	1.2154	1.2156	1.2132	0.01	0.35	0.59
USD-JPY	151.29	151.68	151.14	-0.26	-0.70	-13.33
USD-CHF	0.9086	0.9107	0.9079	-0.20	-1.30	1.75
Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	1978.61	1986.18	1975.30	-0.27	-0.06	8.48
Silver	22.63	22.88	22.59	-0.96	-1.04	-5.54
Crude Oil	81.46	81.61	81.02	0.54	-4.60	5.37
Bitcoin	34454.86	34725.27	34336.50	-0.56	1.83	108.32
Etherium	1806.06	1829.80	1798.41	-0.48	1.38	50.58
Period	1 M	3 M	12 M			
USD LIBOR *	5.43	5.64	6.04			
EURIBOR	3.89	3.97	4.08			
SOFR	5.32	5.38	5.37			
Notes/Bonds	2 Y	10 Y	30 Y			
US	5.07	4.91	5.07			
BTP - BUND	0.83	1.92	2.18			
GILTS	4.78	4.51	4.98			

INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

Stocks rose Tuesday, regaining some ground at the end of a dismal month that was defined by surging interest rates. Real estate and financials outperformed in the S&P 500, with the sectors higher by 2% and 1.1%, respectively. The Cboe Volatility Index (VIX) dropped to an 18 handle, below the fear gauge's long-term average of roughly 20. The Fed is set to release its next decision on interest rates on Wednesday.

EUROPE

European stock markets closed higher on Monday despite ongoing volatility in the Middle East, with investors monitoring economic data from Germany and U.S. market action. The pan-European Stoxx 600 is on course for a 4.6% monthly fall, amid lacklustre earnings and concerns over higher-for-longer interest rates.

ASIA

Japan stocks led gains in the Asia-Pacific region a day after it's central bank increased the flexibility around its yield curve control policy, while investors watched for a policy decision from the U.S. Federal Reserve. Separately, China's manufacturing activity logged a surprise contraction in October.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	33052.87	0.38	-1.36	-0.28	33099.00	-0.08
S&P	4193.80	0.65	-2.20	9.23	4208.75	-0.05
Nasdaq	12851.24	0.48	-2.78	22.78	14477.75	-0.05
DJ EuroStoxx50	4061.12	0.81	-2.72	7.05	4096.00	0.61
FTSE 100	7321.72	-0.08	-3.76	-1.74	7365.50	0.54
CAC 40	6885.65	0.89	-3.50	6.36	N/A Real Tim	N/A
DAX	14810.34	0.64	-3.75	6.37	14956.00	0.65
IBEX 35	9017.30	0.04	-4.36	9.58	N/A Real Tim	N/A
FTSE MIB	27741.91	1.47	-1.78	17.02	27810.00	N/A
Nikkei	31601.65	2.41	-0.80	21.10	31600.00	2.43
Hang Seng	17112.48	0.10	-3.82	-13.41	17333.00	#N/A N/A
DFM General	3877.08	-0.06	-6.94	16.15	N/A	N/A
MSCI Tadawoul	10690.09	0.04	-3.14	2.06	N/A	N/A

Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	68.00	#N/A N/A	#N/A N/A	0.00	-9.15	11.66
Solidere B	69.25	#N/A N/A	#N/A N/A	0.00	-4.81	14.75

MUST READ

(Source: Bloomberg/ Forexlive)

Swiss National Bank Q3 losses surpass \$13 billion

The Swiss National Bank on Tuesday posted a 12.04 billion franc (\$13.36 billion) loss for the third quarter as the central bank lost money on its gold, foreign currency investments and Swiss franc positions. The SNB lost 9.16 billion francs from its foreign currency positions during the three months to the end of September, as bond and equity prices fell on concerns that global interest rates would remain higher for longer. It also made a valuation loss of 132 million francs on the 1,040 metric tons of gold it holds, as global gold prices fell. In addition, the central bank reported a 2.66 billion franc loss from Swiss franc positions, mainly as a result of interest paid to commercial banks. During the first nine months of the year, the SNB paid 5.4 billion francs in interest to commercial banks for money they lodge with the central bank overnight. On Monday, the SNB said it was reducing this interest after costs soared since negative rates turned positive in Sept. 2022. As a result of the downturn in all three categories, the SNB's nine month profit shrank to 1.7 billion francs from the 13.7 billion francs reported for the first half of the year. The SNB's results have been highly volatile in recent years, due to the vast level of foreign currency investments it built up during a long campaign to weaken the Swiss franc.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
Airbnb Inc	ABNB US	\$73.85 B	01-Nov-23	Aft-mkt	2.08	1.79
Paypal Holdings Ir	PYPL US	\$56.05 B	01-Nov-23	Aft-mkt	1.23	1.08
Starbucks Corp	SBUX US	\$105.65 B	02-Nov-23	Pre-mkt	0.94	0.84
Barrick Gold Corp	GOLD US	\$28.05 B	02-Nov-23	Pre-mkt	0.20	0.13
Apple Inc	AAPL US	\$2.67 T	02-Nov-23	Aft-mkt	1.20	1.20

ECONOMIC CALENDAR

(01-11-23) GB - Nationwide House PX MoM
(01-11-23) US - MBA Mortgage Applications / JOLTS Job Openings
(01-11-23) US - FOMC Rate Decision
(02-11-23) IT - HCOB Italy Manufacturing PMI
(02-11-23) DE - Unemployment Change
(02-11-23) UK - Bank of England Bank Rate
(02-11-23) US - Initial Jobless Claims

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