

Daily Market Brief

September 2nd 2024



FOREIGN EXCHANGE MARKETS (Sources: Bloomberg / Reuters)

EURUSD
The trades with mild gains around 1.1055, snapping the three-day losing streak during the early European session on Monday. The dovish stance of the US (Fed) undermines the Greenback and provides some support to EUR/USD. Financial markets are now pricing in a nearly 70% odds of a 25 basis points (bps) rate cut by the Fed in September, while the chance of a 50 bps reduction stands at 30%. The attention will shift to the US employment data on Friday for further insights about the potential rate cuts in September.

GBPUSD
The GBP/USD pair gains ground around 1.3135, snapping the three-day losing streak during the early Asian session on Monday. In the absence of top-tier economic data releases from the UK this week, the USD price dynamic will be the main driver for the GBP/USD. The US (NFP) for August will take center stage on Friday.

USDJPY
The Japanese Yen (JPY) remains stable against the US Dollar (USD) after the release of July's US Personal Consumption Expenditures (PCE) Index data, which led traders to scale back expectations of an aggressive Fed rate cut in September.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.1058	1.1058	1.1042	0.09	-0.92	0.17
GBP-USD	1.3132	1.3139	1.3120	0.04	-0.42	3.15
USD-JPY	146.17	146.60	145.78	0.00	-1.12	-3.51
USD-CHF	0.8494	0.8510	0.8491	-0.02	-0.25	-0.94
Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	2497.81	2505.05	2490.13	-0.22	-0.80	21.08
Silver	28.40	28.97	28.32	-1.61	-5.03	19.35
Crude Oil	73.06	73.65	72.89	-0.67	-5.63	2.93
Bitcoin	57793.70	58426.07	57132.82	-1.07	-2.62	35.96
Etherium	2453.13	2504.09	2402.21	-1.95	-3.34	7.48
Period	1 M	3 M	12 M			
EURIBOR	3.59	3.49	3.09			
SOFR	5.20	5.02	4.22			
US Fed Fund Rate (Indicator)		5.31				
Notes/Bonds	2 Y	10 Y	30 Y			
US	3.92	3.90	4.20			
BTP - BUND	0.51	1.40	1.82			
GILTS	4.11	4.02	4.53			

INTERNATIONAL EQUITY MARKETS (Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA
A broadening rally in U.S. stocks is offering an encouraging signal to investors worried about concentration in technology shares, as markets await key jobs data and the Federal Reserve's expected rate cuts in September.

EUROPE
European shares rose to an all-time high on Friday, closing a turbulent month on a bright note after a significant drop in euro zone inflation cemented market expectations for an interest rate cut in September. EZ August inflation at lowest level in three years.

ASIA
China has warned severe economic retaliation against Japan if it further restricts sales and servicing of chipmaking equipment to Chinese firms, Bloomberg News reported on Monday, citing people familiar with the matter.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	41563.08	0.55	4.59	10.28	41611.00	-0.07
S&P	5648.40	1.01	5.65	18.42	5651.25	-0.14
Nasdaq	17713.63	1.13	5.59	18.00	19579.00	-0.18
DJ EuroStoxx50	4957.98	-0.17	6.88	9.65	4971.00	-0.02
FTSE 100	8376.63	-0.04	2.47	8.32	8415.50	0.37
CAC 40	7630.95	-0.13	5.23	1.16	7650.00	N/A
DAX	18906.92	-0.03	7.05	12.87	18974.00	0.09
IBEX 35	11401.90	0.38	6.83	12.87	11433.10	N/A
FTSE MIB	34372.67	0.53	7.35	13.25	34456.00	N/A
Nikkei	38647.75	0.17	7.81	15.68	38680.00	0.00
Hang Seng	17989.07	-1.62	4.44	3.81	17646.00	-1.70
DFM General	4325.45	-0.20	2.08	6.54	N/A	N/A
MSCI Tadawoul	12189.40	0.36	1.19	1.86	N/A	N/A
Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	84.15	85.10	83.70	1.81	2.62	-5.56
Solidere B	85.00	85.00	81.00	4.94	3.72	-5.50

MUST READ (Source: Bloomberg/ Forexlive)

Intel
Intel Corp is weighing strategic options, including splitting its product design and manufacturing businesses. The plan includes scrapping factory projects and potential mergers and acquisitions, Bloomberg cites familiar sources. Morgan Stanley and Goldman Sachs are advising Intel regarding the strategic options that the chipmaker proposes to place to its board during a meeting in September. The stock price gained after the report in premarket trading. Sources expect a potential separation or sale of Intel's foundry division to be unlikely as it has yet to win external customers to compete with contract chipmakers like Taiwan Semiconductor Manufacturing Sources also expect Intel to postpone some of its expansion plans. Recently, Republican Senator Rick Scott called out Intel for its workforce downsizing plans despite being a contender for a \$20 billion U.S. chip subsidy that aims to create over 10,000 manufacturing jobs and 20,000 construction jobs in the U.S. After its dismal second-quarter print, Intel disclosed a \$10 billion cost-reduction plan, including plans to slash headcount by over 15%.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
Zscaler, Inc.	ZS US	\$29.8 B	03-Sep-24	After-mkt	-0.14	-0.17
Ascendis Pharma	ASND US	\$7.8 B	03-Sep-24	After-mkt	-1.54	-2.35
Gitlab Inc.	GTLB US	\$7.7 B	03-Sep-24	After-mkt	-0.13	-0.29
OneStream	OS US	\$ 7.1 B	03-Sep-24	After-mkt	N/A	N/A
Health Equity	HQY US	\$6.7 B	03-Sep-24	After-mkt	0.50	0.34

ECONOMIC CALENDAR

(02-09-24) CH- Real Retail Sales YoY JUL
(02-09-24) DE- HCOB Manufacturing PMI AUG
(03-09-24) GB- BRC Like-For-Like Retail Sales YoY AUG
(03-09-24) CH- Consumer Price Index AUG
(03-09-24) GB- BoE's Breeden speech
(03-09-24) CA- S&P Global Manufacturing PMI AUG
(03-09-24) US- ISM Manufacturing PMI AUG

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