

Daily Market Brief

October 2nd 2023



FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

EURUSD

The EUR/USD pair kicks off the new week on a subdued note and oscillates in a narrow trading band, just above mid-1.0500s during the Asian session. The global risk sentiment gets a goodish lift in reaction to slightly better-than-expected official Chinese PMIs and the passage of a stopgap US government funding bill over the weekend. The upbeat market mood keeps a lid on any meaningful upside for the safe-haven US Dollar (USD) and lends some support to the pair. That said, growing acceptance that the next move by the (ECB) is likely to be a rate cut continues to act as a headwind for the shared currency.

GBPUSD

The GBP/USD sank just south of the 1.2200 handle heading into the Friday market close. Inflation continues to be a hot topic for the (BoE), and the UK may have no choice but to continue facing down high interest rates. With prices continuing to grow above the BoE's target, interest rate cuts remain a far-off dream for market investors hoping to get their borrowing and funding costs eased.

USDJPY

USD/JPY pair holds positive ground around 149.70 during the early Asian session on Monday. The pair trades at the highest level in 11 months after bouncing off the low of 148.52 following the release of the Bank of Japan (BoJ) Summary of Opinions.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.0568	1.0578	1.0558	-0.05	-0.24	-1.28
GBP-USD	1.2189	1.2209	1.2181	-0.08	-0.18	0.88
USD-JPY	149.74	149.82	149.44	0.25	-0.57	-12.43
USD-CHF	0.9161	0.9164	0.9132	0.09	-0.45	0.92
Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	1842.90	1848.98	1842.47	-0.31	-3.81	1.04
Silver	21.79	22.18	21.77	-1.76	-5.84	-9.04
Crude Oil	90.94	91.24	90.82	0.17	1.40	16.87
Bitcoin	28061.10	28173.23	27103.75	3.49	6.95	69.66
Etherium	1725.98	1751.70	1674.14	3.08	8.28	43.91
Period	1 M		3 M			12 M
USD LIBOR *	5.43		5.66			6.04
EURIBOR	3.85		3.95			4.23
SOFR	5.32		5.40			5.47
Notes/Bonds	2 Y		10 Y			30 Y
US	5.08		4.61			4.73
BTP - BUND	0.81		1.94			2.21
GILTS	4.90		4.44			4.90

INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

The S&P 500 fell on Friday as investors digested implications of a U.S. inflation report for the Federal Reserve's interest rate policy and adjusted their portfolios on the last day of a weak third quarter for stocks. Nike shares jump on Q1 profit beat. PCE data show underlying price pressures subside.

EUROPE

European shares rose on Friday after a drop in euro zone inflation in September cemented hopes the European Central Bank will pause its interest rate hikes, but the benchmark index still logged its worst quarter in a year.

ASIA

Japanese shares rose on Monday, as concerns over sell-off by pension funds toward the end of the quarter were removed, while appetite was boosted as the U.S. government avoided a federal shutdown.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	33507.50	-0.47	-3.82	1.09	33864.00	0.44
S&P	4288.05	-0.27	-5.04	11.68	4344.75	0.49
Nasdaq	13219.32	0.14	-5.79	26.30	14962.50	0.70
DJ EuroStoxx50	4174.66	0.31	-2.52	10.04	4205.00	0.07
FTSE 100	7608.08	0.08	1.92	2.10	7656.50	-0.16
CAC 40	7135.06	0.26	-2.22	10.22	7151.50	N/A
DAX	15386.58	0.41	-2.86	10.51	15539.00	0.10
IBEX 35	9428.00	0.01	-0.23	14.57	9440.00	N/A
FTSE MIB	28243.26	0.28	-1.42	19.13	28283.00	N/A
Nikkei	31857.62	0.22	-2.39	22.35	31900.00	0.22
Hang Seng	17809.66	2.51	-3.11	-9.97	17768.00	-0.68
DFM General	4163.58	0.52	1.93	24.80	N/A	N/A
MSCI Tadawoul	11040.17	-0.14	-3.93	5.36	N/A	N/A
Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	76.05	77.75	75.65	0.33	2.42	24.88
Solidere B	77.40	77.75	75.95	0.26	0.65	28.25

MUST READ

(Source: Bloomberg/ Forexlive)

What Moved Markets

The S&P 500 wrapped up a fourth straight week of losses and a nearly 5% decline for September, its worst monthly performance since December, as investors come to grips with the Federal Reserve's message of higher-for-longer interest rates. Surging crude oil prices along with fears of increased supply of government debt helped propel bond yields, with the benchmark 10-year Treasury yield reaching near 16-year highs during the week. Two of the three major stock market indexes posted modest declines for the week, with the Dow Jones down 1.3% and the S&P slipping 0.7% while the Nasdaq Composite eked out a 0.1% gain.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
RPM International	RPM US	\$11.9 B	04-Oct-23	Pre-mkt	1.56	1.47
Acuity Brands, Inc.	AYI US	\$5.2 B	04-Oct-23	Pre-mkt	3.29	3.72
Tilray Brands, Inc.	TLRY US	\$1.7 B	04-Sep-23	Pre-mkt	-0.05	-0.08
ConAgra Brands, I	CAG US	\$13.3 B	05-Oct-23	Pre-mkt	0.60	0.57
Levi Strauss & co.	LEVI U S	\$5.2 B	05-Oct-23	After-mkt	0.27	0.40

ECONOMIC CALENDAR

(02-10-23) DE- HCOB Manufacturing PMI SEP
(02-10-23) EA- Unemployment Rate AUG
(02-10-23) CA- S&P Global Manufacturing PMI SEP
(02-10-23) US- ISM Manufacturing PMI SEP
(03-10-23) CH- Consumer Price Index SEP
(03-10-23) US- JOLTS Job Openings
(04-10-23) EA- Retail Sales AUG; Producer Price Index AUG

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