

Daily Market Brief

November 02 2023



FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

EURUSD

The EUR/USD pair surges above 1.0580 during the early Asian session on Thursday. The weaker US Dollar (USD) after the Federal Open Market Committee (FOMC) policy meeting lends some support to the major pair. EUR/USD currently trades around 1.0597, up 0.26% on the day. The focus will shift to the US Nonfarm Payrolls on Friday. These events could give a clear direction to the EUR/USD pair.

GBPUSD

The GBP/USD pair edges higher during the Asian trading hours on Thursday. The uptick of the pair is supported by the weakening of the US Dollar (USD) after the Federal Reserve (Fed) maintained the interest rate steady, while odds that it may not hike rates again rose after the press conference. The major pair currently trades around 1.2184, gaining 0.28% on the day.

USDJPY

The USD/JPY pair extends the overnight retracement slide from the 151.70 area, or its highest level since October 2022 and drifts lower for the second successive day on Thursday. Speculations that Japanese authorities will intervene in the FX market to combat a sustained depreciation in the domestic currency also contribute to the offered tone surrounding the USD/JPY pair.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.0601	1.0602	1.0568	0.29	0.36	-0.97
GBP-USD	1.2175	1.2196	1.2138	0.19	0.38	0.76
USD-JPY	150.42	150.97	150.15	-0.35	-0.01	-12.83
USD-CHF	0.9045	0.9080	0.9025	-0.36	-0.63	2.21
Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	1983.88	1988.25	1981.41	0.07	-0.04	8.76
Silver	22.97	23.06	22.92	0.11	0.79	-4.09
Crude Oil	81.33	81.53	80.70	1.11	-2.26	5.20
Bitcoin	35293.90	35953.31	35109.68	-0.46	3.39	113.39
Etherium	1836.20	1875.40	1833.61	-1.05	3.20	53.10
Period	1 M	3 M	12 M			
USD LIBOR *	5.43	5.64	6.04			
EURIBOR	3.88	3.97	4.05			
SOFR	5.32	5.39	5.39			
Notes/Bonds	2 Y	10 Y	30 Y			
US	4.97	4.73	4.92			
BTP - BUND	0.77	1.96	2.16			
GILTS	4.80	4.50	4.96			

INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

Wall Street's major indexes closed higher on Wednesday with the Nasdaq's 1.6% advance leading gains, after the U.S. Federal Reserve kept interest rates unchanged and comments from its top official fueled investor optimism rate hikes were done even though the central bank left the door open for more. Fed Chair Jerome Powell said policy makers would proceed carefully although they were not yet confident financial conditions were restrictive enough to get inflation as low as the central bank would like.

EUROPE

Europe's stock markets built on gains in afternoon trade as weaker-than-expected US economic data raised hopes that the Federal Reserve might soon call time on its monetary-tightening cycle.

ASIA

Asian shares were mostly higher Thursday after the U.S. Federal Reserve indicated it may not need to pump the brakes any harder on Wall Street and the economy. In Japan, an economic stimulus package worth about \$113 billion was announced to cushion the blow to household budgets from rising inflation.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	33274.58	0.67	-0.47	0.38	33366.00	0.03
S&P	4237.86	1.05	-1.18	10.38	4265.00	0.19
Nasdaq	13061.47	1.64	-1.85	24.79	14798.25	0.36
DJ EuroStoxx50	4091.71	0.75	-1.11	7.86	4138.00	0.78
FTSE 100	7342.43	0.28	-2.24	-1.47	7406.50	0.63
CAC 40	6932.63	0.68	-1.92	7.09	6999.00	N/A
DAX	14923.27	0.76	-2.12	7.18	15093.00	0.69
IBEX 35	9075.00	0.64	-2.62	10.28	9129.00	N/A
FTSE MIB	27985.44	0.88	0.49	18.05	28095.00	N/A
Nikkei	31949.89	1.10	0.60	22.44	31880.00	0.89
Hang Seng	17101.78	0.58	-3.42	-13.05	17220.00	0.77
DFM General	3892.55	0.24	-6.72	16.96	N/A	N/A
MSCI Tadawoul	10814.89	0.80	-0.95	4.04	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	-5.49	11.66
Solidere B	69.25	#N/A N/A	#N/A N/A	0.00	-4.02	14.75

MUST READ

(Source: Bloomberg/ Forexlive)

Treasury to step up bond sales to manage growing debt

The Treasury Department announced plans Wednesday to accelerate the size of its auctions as it looks to handle its heavy debt load and with financing costs rising. In a development getting close attention on Wall Street, the department detailed its refunding plans for future debt sales. The announcement comes with Treasury yields around their highest levels since 2007, a reflection of financial markets spooked over how much damage higher borrowing costs could exact. Most immediately, the Treasury will auction \$112 billion in debt next week to refund \$102.2 billion of notes set to mature Nov. 15, raising more than \$9 billion in extra funds. Stock market futures came off their lows of the morning following the announcement, while Treasury yields were lower. On Monday, the department said it would need to borrow \$776 billion in the current quarter and \$816 billion in the first quarter of calendar 2024. The auction changes are important to investors because they could provide a window into where yields are heading. Markets have been concerned about whether there will be enough demand to meet the Treasury's needs, which would send yields up even further and possibly cause financial distress.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
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
Eli Lilly Inc	LLY US	\$525.84 B	02-Nov-23	Pre-mkt	-0.15	1.98
S&P Global Inc	SPGI US	\$111.15 B	02-Nov-23	Pre-mkt	3.04	2.93
Apple Inc	AAPL US	\$2.67 T	02-Nov-23	Aft-mkt	1.20	1.20

ECONOMIC CALENDAR

(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 / Factory Orders/ Durable Goods Orders
(03-11-23) FR - Industrial Production MoM / YoY
(03-11-23) EA - Unemployment Rate
(03-11-23) CA - Net change in Employment

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