Daily Market Brief

November 4th 2024

BANQUE BEMO

FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

EUR/USD

EUR/USD gains amid a weaker US Dollar following disappointing October Nonfarm Payrolls data, though uncertainty over the upcoming US presidential election may limit further upside. Meanwhile, stronger-than-expected Eurozone growth and inflation support the Euro, with markets now anticipating a 25 basis point ECB rate cut in December.

GBP/USD

The GBP/USD pair rises to around 1.2970 due to a weaker US Dollar following disappointing October Nonfarm Payrolls data and anticipation of a 25 bps rate cut by the Federal Reserve. While market sentiment suggests a Trump win could boost the USD, the Bank of England is also expected to cut rates by 25 bps, further influencing the pair's movements amid this week's central bank and election developments.

USD/JPY

The Japanese Yen strengthens as the US Dollar declines amid election uncertainty, though limited liquidity from Japan's Sports Day holiday affects trading. While the Yen could face future pressure due to political shifts following the LDP's parliamentary win, BOJ Governor Ueda's comments on reduced US economic risks hint at potential rate hikes, with the BOJ maintaining its policy rate at 0.25% as expected.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.0897	1.0905	1.0845	0.58	0.79	-1.29
GBP-USD	1.2990	1.2999	1.2951	0.51	0.14	2.03
USD-JPY	152.02	152.63	151.60	-0.65	0.84	-7.22
USD-CHF	0.8654	0.8689	0.8643	-0.53	0.00	-2.77

Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	2737.92	2743.77	2730.68	0.05	-0.17	32.72
Silver	32.75	32.78	32.29	0.81	-2.73	37.65
Crude Oil	70.85	71.00	70.25	1.96	5.15	0.78
Bitcoin	68945.68	69444.27	68222.20	-0.24	-5.34	62.20
Etherium	2471.54	2489.45	2434.72	0.11	-7.73	8.29

Period	1M	3M	6M	12M
SOFR ($)	4.65	4.55	4.41	4.19
ESTR (€)	2.40	3.02	2.74	2.40
SONIA (£)	4.78	4.73	4.62	4.47
SARON (F)	0.93	0.71	0.57	0.40
TONAR (¥)	0.22	0.22	0.15	0.08

	Rates
U.S. Federal Fund Target Rate	5.00
ECB Main Refinancing Operation Announcement Rate	3.4
ECB Deposit Facility Announcement Rate	3.25
ECB Marginal Lending Facility Announcement Rate	3.65
BOE Official Bank Rate	5.00

INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

Stocks rallied Friday to kick off November as Amazon led big technology stocks into the green. Jobs report released Friday showed the U.S. economy added just 12,000 jobs in October, far below the Dow Jones estimate of 100,000. This marked the weakest level of jobs creation since December 2020. The unemployment rate held at 4.1%, in line with estimates.

EUROPE

European markets closed higher on Friday, starting November on a positive footing as traders considered the all-important U.S. jobs report. All sectors and major bourses in positive territory. Bank stocks led the gains, up 1.68%.

ASIA

Asia-Pacific markets rose Monday as investors geared up for a busy week that includes the U.S. presidential election and the Federal Reserve's monetary policy meeting. Investors will also closely watch China's parliament meeting that's scheduled to kick off on Monday. Chinese authorities are expected to announce more details on fiscal support when the meeting concludes on Friday.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	42052.19	0.69	-0.71	11.58	42200.00	0.60
S&P	5728.80	0.41	-0.39	20.10	5775.50	0.64
Nasdaq	18239.92	0.80	0.56	21.51	20243.50	1.11
DJ EuroStoxx50	4877.75	1.04	-1.56	7.88	4898.00	1.32
FTSE 100	8177.15	0.83	-1.25	5.74	8188.50	0.74
CAC 40	7409.11	0.80	-1.75	-1.78	7418.50	0.78
DAX	19254.97	0.93	0.70	14.94	19366.00	1.12
IBEX 35	11843.00	1.46	1.58	17.23	11819.30	1.47
FTSE MIB	34676.17	1.15	3.22	14.25	34465.00	1.14
Nikkei	38053.67	-2.63	-1.51	13.71	38600.00	-1.18
Hang Seng	20506.43	0.08	-9.74	20.39	20547.00	0.98
DFM General	4621.37	0.21	5.11	14.07	N/A	N/A
MSCI Tadawoul	12048.26	0.22	0.76	0.68	N/A	N/A

Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	96.95	97.00	94.30	1.78	-1.42	8.81
Solidere B	96.45	98.50	93.80	-0.57	2.83	7.23

MUST READ

(Source: Bloomberg/ Forexlive)

Nvidia to replace Intel in Dow Jones Industrial Average

Nvidia is set to join the Dow Jones Industrial Average , replacing Intel, which held its place for 25 years. This shift underscores Intel's recent struggles, including a more than 50% drop in its stock price in 2024 and a $16.6 billion quarterly loss. Intel's challenges stem from the rising dominance of artificial intelligence and Nvidia's rapid growth, with Nvidia now valued over $3 trillion. Founded in 1968, Intel once led the chip industry, especially in graphics and semiconductor tech, but recent missteps left it trailing Nvidia, which now spearheads AI innovation. Nvidia, founded in 1993 by Jensen Huang, has been acknowledged as a leading AI player, with Susquehanna analysts calling it "the world's de facto enabler of AI." Nvidia's entry into the DJIA reinforces its position as a market leader in AI. The DJIA, a barometer for the U.S. economy, is composed of 30 blue-chip companies. While Intel's removal highlights a shift in the semiconductor industry, analysts note its minimal real-world impact since the DJIA represents less than 1% of the total stock market. This change is seen as a pivotal moment for Nvidia, symbolizing its importance to the AI-driven future.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
Constellation Ene	CEG US	$ 80.71B	04-Nov-24	Pre-mkt	2.65	2.26
Zoetis Inc	ZTS US	$ 82.43B	04-Nov-24	Pre-mkt	1.45	1.36
Vertex Pharmace	VRTX US	$ 121.60B	04-Nov-24	Aft-mkt	4.17	4.08
Palantir Technolo	PLTR US	$ 93.88B	04-Nov-24	Aft-mkt	0.09	0.07
Apollo Global Ma	APO US	$ 80.30B	05-Nov-24	Pre-mkt	1.73	1.71

ECONOMIC CALENDAR

(04-11-24) US - Factory Orders
(04-11-24) US - Durable Goods Orders
(05-11-24) US - US Presidential Elections
(05-11-24) FR - Industrial Production MoM / YoY
(05-11-24) UK - S&P Global UK Services PMI / Composite PMI
(05-11-24) US - ISM Services Index
(06-11-24) DE - Factory Orders MoM

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