

Daily Market Brief

March 5 2024



FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

EUR/USD

The EUR/USD pair struggles to capitalize on its strong gains registered over the past two days and oscillates in a narrow trading band during the Asian session on Tuesday. ECB monetary policy decision on Thursday, will help in determining the near-term trajectory for the currency pair. Investors this week will confront the release of US macro data scheduled at the beginning of a new month, including the closely-watched monthly employment details, or NFP report on Friday.

GBP/USD

GBP/USD climbed into the 1.2700 handle on Monday before falling back, paring away some of the day's gains but hitting the rollover higher than it started. The UK sees only a thin showing on the economic calendar this week, and another US NFP labor print on Friday sees investors gearing up for another kick at the can on how soon the Federal Reserve (Fed) will begin cutting interest rates.

USD/JPY

USD/JPY advances toward 151.00 as BoJ might postpone policy-normalization plans. BoJ Ueda wants to see more wage data before announcing victory over deflation. The US Dollar will be guided by Fed Powell's testimony and employment data.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.0847	1.0858	1.0846	-0.08	0.03	-1.74
GBP-USD	1.2678	1.2695	1.2676	-0.11	-0.06	-0.42
USD-JPY	150.49	150.55	150.36	-0.03	0.01	-6.28
USD-CHF	0.8860	0.8861	0.8846	0.12	-0.84	-5.03
Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	2115.76	2119.75	2110.55	0.06	4.20	2.56
Silver	23.81	23.97	23.63	-0.32	6.00	0.06
Crude Oil	78.29	78.87	78.27	-0.57	-0.74	8.72
Bitcoin	67316.55	68804.20	65250.23	-0.26	9.58	58.36
Etherium	3717.11	3744.30	3567.25	3.69	10.94	62.87
Period	1 M	3 M	12 M			
EURIBOR	3.82	3.94	3.74			
SOFR	5.32	5.32	5.02			
Notes/Bonds	2 Y	10 Y	30 Y			
US	4.60	4.21	4.35			
BTP - BUND	0.55	1.41	1.83			
GILTS	4.32	4.12	4.54			

INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

Stocks retreated Monday, pushing the S&P 500 and Nasdaq Composite off all-time highs, despite a rallying group of technology stocks tied to the artificial intelligence boom. Losses were mitigated by gains of more than 3% in AI darling Nvidia. Super Micro Computer soared 18% after S&P Dow Jones Indices announced it would join the S&P 500 later this month. The ADP Employment Survey and January job openings data will be released on Wednesday.

EUROPE

European markets turned lower on Monday as investors look ahead to the upcoming interest rate decision from the European Central Bank. Mining stocks fell 1.24% while tech rose 0.8%.

ASIA

Asia-Pacific markets were mixed Tuesday after China's "Two Sessions" meeting, where the country projected an economic growth target of "around 5%" for 2024. South Korea's revised GDP figures showed its economy grew 0.6% for the fourth quarter of 2023, while Japan's capital city of Tokyo's inflation rebounded.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	38989.83	-0.25	1.59	3.45	38933.00	-0.23
S&P	5130.95	-0.12	3.81	7.57	5124.50	-0.27
Nasdaq	16207.51	-0.41	3.91	7.97	18171.00	-0.48
DJ EuroStoxx50	4912.92	0.37	5.53	8.66	4901.00	-0.35
FTSE 100	7640.33	-0.55	0.36	-1.20	7593.50	-0.27
CAC 40	7956.41	0.28	4.83	5.48	7967.50	N/A
DAX	17716.17	-0.11	4.80	5.76	17669.00	-0.38
IBEX 35	10069.80	0.05	1.29	-0.32	10082.10	N/A
FTSE MIB	32912.34	-0.07	6.33	8.44	32954.00	N/A
Nikkei	40097.63	-0.03	10.30	19.82	40130.00	-0.05
Hang Seng	16595.97	-2.55	4.28	-5.13	16146.00	-2.54
DFM General	4326.62	-0.25	2.01	6.31	N/A	N/A
MSCI Tadawoul	12434.59	-0.96	3.41	3.90	N/A	N/A

Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	73.00	73.00	73.00	-2.54	-1.82	-18.07
Solidere B	75.85	76.50	75.00	2.50	2.09	-15.68

MUST READ

(Source: Bloomberg/ Forexlive)

U.S. national debt spiraling out of control

United States' national debt is escalating rapidly, with the velocity of debt accumulation rising by \$1 trillion every 100 days. The debt surpassed \$34 trillion on Jan. 4. Financial analysts are noting the speed at which the country's debt burden has been growing — a stark acceleration that could carry significant implications for the economy. The debt expanded to \$33 trillion on Sept. 15 after having reached \$32 trillion just three months prior on June 15. Before this period, it took nearly eight months for the debt to swell from \$31 trillion, suggesting a significant uptick in the rate at which the government is borrowing. "The national debt is the amount of money the federal government has borrowed to cover the outstanding balance of expenses incurred over time," the Treasury Department said in a statement. "Simply put, the national debt is similar to a person using a credit card for purchases and not paying off the full balance each month. The cost of purchases exceeding the amount paid off represents a deficit, while accumulated deficits over time represents a person's overall debt." The soaring debt has affected America's credit rating. In November, Moody's Investors Service lowered the rating from "stable" to "negative," citing the national debt and growing budget deficit. "In the context of higher interest rates, without effective fiscal policy measures to reduce government spending or increase revenues, Moody's expects that the US' fiscal deficits will remain very large, significantly weakening debt affordability," the agency said.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
Nio Inc ADR	NIO US	\$ 11.05B	05-Mar-24	Pre-mkt	-10.63	-7.32
Avadel Pharmace	AVDL US	\$ 1.46B	05-Mar-24	Pre-mkt	-0.28	-0.44
Target Corp	TGT US	\$ 69.48B	05-Mar-24	Pre-mkt	2.40	1.89
CrowdStrike Hold	CRWD US	\$ 75.36B	05-Mar-24	Aft-mkt	0.83	0.47
Abercrombie & Fi	ANF US	\$ 6.92B	06-Mar-24	Pre-mkt	2.82	0.82

ECONOMIC CALENDAR

(05-03-24) JP - Tokyo CPI Ex Fresh Food YoY
(05-03-24) FR - Industrial Production MoM
(05-03-24) IT - GDP WDA QoQ
(05-03-24) UK - S&P Global UK Services PMI
(05-03-24) US - Factory Orders
(05-03-24) US - Durable Goods Orders
(06-03-24) US - MBA Mortgage Applications

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