

Daily Market Brief

October 5th 2023



FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

EURUSD

EUR/USD continues on the gains registered in the previous session, trading higher around 1.0520 during the Asian trading session on Thursday. The pair encountered challenges amid market caution regarding the interest rate trajectory of the US (Fed). Furthermore, the upbeat Eurozone's HCOB Purchase (PMI) on Wednesday might provide support for the Euro. The report revealed that the Composite PMI for September improved from 47.1 to 47.2, which was expected to remain consistent.

GBPUSD

GBP/USD pair remains flat above the mid-1.2100s during the Asian session on Thursday. In the absence of the top-tier economic data from the UK docket, the major pair remains at the mercy of the (USD) price dynamics. That said, the rebound of the pair is supported by the weaker Dollar following the softer US labor market data. (ADP) reported on Thursday that the US private payrolls for September rose by 89,000 from the previous reading of 180,000, below the market expectation of 153,000. This figure posted the lowest level since January 2021.

USDJPY

The USD/JPY pair comes under some renewed selling pressure following the previous day's modest uptick and drops closer to the 148.00 mark during the Asian session on Thursday.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.0521	1.0529	1.0502	0.16	-0.43	-1.72
GBP-USD	1.2158	1.2163	1.2131	0.19	-0.37	0.62
USD-JPY	148.53	149.12	148.26	-0.40	0.53	-11.72
USD-CHF	0.9143	0.9174	0.9135	-0.32	0.08	1.12
Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	1827.51	1829.23	1821.05	0.34	-2.00	0.19
Silver	21.28	21.28	21.00	1.30	-5.93	-11.15
Crude Oil	84.66	84.80	84.23	0.52	-7.69	8.80
Bitcoin	27674.00	27883.00	27648.50	0.05	2.22	67.32
Etherium	1643.05	1654.70	1641.75	0.05	-2.22	36.99
Period	1 M	3 M	12 M			
USD LIBOR *	5.44	5.68	6.04			
EURIBOR	3.87	3.96	4.21			
SOFR	5.33	5.42	5.48			
Notes/Bonds	2 Y	10 Y	30 Y			
US	5.03	4.71	4.84			
BTP - BUND	0.82	1.94	2.21			
GILTS	4.93	4.58	5.00			

INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

U.S. stocks ended higher and the Nasdaq gained more than 1% on Wednesday, a day after a sell-off, as the latest economic data showed U.S. private payrolls increased less than expected in September.

EUROPE

European stocks edged down for a third day in a row on Wednesday, driven by declines in commodity-linked stocks and retailer shares, while U.S. and European bond yields paused for breath after hitting multi-year highs.

ASIA

Hong Kong stocks rebounded from an 11-month low on Thursday after two sessions of decline, tracking firmer overseas markets with U.S. Treasury yields off a 16-year peak after the softer labour data. Japan's Nikkei share average rebounded from an over four-month low on Thursday as investors scooped up beaten-down stocks, with easing U.S. Treasury yields supporting sentiment.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	33129.55	0.39	-4.37	-0.05	33311.00	-0.07
S&P	4263.75	0.81	-5.18	11.05	4296.50	-0.05
Nasdaq	13236.01	1.35	-5.60	26.46	14919.00	-0.05
DJ EuroStoxx50	4099.85	0.10	-3.97	8.07	4138.00	0.44
FTSE 100	7412.45	-0.77	-0.34	-0.53	7479.00	0.44
CAC 40	6996.73	0.00	-3.56	8.08	7037.00	N/A
DAX	15099.92	0.10	-4.26	8.45	15267.00	0.37
IBEX 35	9102.90	-0.68	-3.08	10.62	9112.90	N/A
FTSE MIB	27435.59	-0.17	-4.25	15.73	27442.00	N/A
Nikkei	30526.88	1.56	-6.15	18.81	31020.00	1.94
Hang Seng	17195.84	0.48	-6.38	-12.65	17325.00	0.37
DFM General	4192.29	-0.23	3.43	25.67	N/A	N/A
MSCI Tadawoul	10840.27	-1.02	-5.00	3.45	N/A	N/A
Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	77.00	77.85	77.00	0.06	0.59	26.44
Solidere B	77.15	77.50	77.00	0.33	-0.06	27.84

MUST READ

(Source: Bloomberg/ Forexlive)

Tesla

Tesla stock is up a lot in Wednesday trading. There isn't any big news, beyond a disappointing delivery number that arrived Monday morning. So investors are asking: What gives? Tesla stock is up 3.7% at \$255.57 in midday trading, while the S&P 500SPX +0.81% and Nasdaq Composite were up 0.3% and 0.7%, respectively. Shares are about 2% since electric-vehicle maker reported third-quarter deliveries of about 430,000 units, missing Wall Street's consensus estimate by some 25,000 vehicles. Still, investors seemed braced for a weak result. Headed into the delivery number, Tesla stock had dropped about 14% since the company reported second-quarter results. On the second quarter-earnings conference call, management told investors third-quarter production would be down because of planned maintenance. It appears that most of the bad news from a weak delivery number was already in the stock. Bears might not have thought so and, as a result, might have sowed the seeds of the post-delivery rally themselves. Short interest in Tesla stock was edging up into the delivery number, by about 7 million shares, according to Bloomberg.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
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
Pepsico, Inc.	PEP US	\$232.8 B	10-Oct-23	Pre-mkt	2.17	1.97
Neogen Corporati	NEOG US	\$3.8 B	10-Oct-23	Pre-mkt	0.14	0.15
Fastenal Compan	FAST US	\$31.3 B	12-Oct-23	Pre-mkt	0.51	0.50

ECONOMIC CALENDAR

(06-10-23) EA- EU leaders summit
(06-10-23) DE- Factory Orders s.a. AUG
(06-10-23) US- Nonfarm Payrolls SEP; Average Hourly Earnings SEP
(06-10-23) US- Labor Force Participation Rate SEP; Unemployment Rate SEP
(06-10-23) US- U6 Underemployment Rate SEP
(06-10-23) CA- Unemployment Rate SEP; Average Hourly Wages YoY SEP
(06-10-23) CA- Net Change in Employment SEP

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