

Daily Market Brief

April 6th 2023



FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Forexlive)

EURUSD

EUR/USD holds lower ground near the intraday bottom of 1.0884 as it prints two-day downtrend, after reversing from the highest levels since early February on Tuesday. That said, the Euro pair's latest losses could be linked to the US Dollar's corrective bounce amid recession woes and geopolitical fears. However, downbeat US data and comparatively hawkish bets on the (ECB) than the US Federal Reserve (Fed) seem to put a floor under the EUR/USD prices.

GBPUSD

The GBP/USD pair is hovering near Wednesday's low at 1.2440 in the Asian session. The Cable is expected to extend its downside journey as geopolitical tensions between the U.S. and China over Taiwan have dampened the overall market mood. China's retaliation over arms support to Taiwan by the US might result in some restrictions on exports from China to the US.

USDJPY

USD/JPY consolidates intraday losses around 131.20 as the US Dollar defends the previous day's rebound from a two-month low heading into Thursday's European session. Even so, the Yen pair remains on the way to reversing the last week's gains, the first in five, amid downbeat Treasury bond yields.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.0892	1.0911	1.0885	-0.11	-0.12	1.75
GBP-USD	1.2444	1.2467	1.2437	-0.14	0.47	2.99
USD-JPY	131.24	131.34	130.78	-0.06	1.11	-0.09
USD-CHF	0.9074	0.9075	0.9055	0.07	0.64	1.88
Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	2013.75	2021.08	2008.14	-0.35	1.69	10.40
Silver	24.81	24.95	24.69	-0.51	3.81	3.59
Crude Oil	79.93	80.55	79.67	-0.84	7.48	-0.65
Bitcoin	28058.70	28240.92	27887.67	-0.35	-1.42	69.65
Etherium	1890.84	1913.45	1886.57	-0.79	4.05	57.65
Period	1 M	3 M	12 M			
USD LIBOR *	4.87	5.22	5.30			
EURIBOR	2.90	3.05	3.64			
* USD LIBOR rates will be discontinued after June 30, 2023 and will be replaced by SOFR						
Notes/Bonds	2 Y	10 Y	30 Y			
US	3.75	3.29	3.56			
BTP - BUND	0.55	1.83	2.00			
GILTS	3.34	3.43	3.77			

INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

The S&P 500 dipped and the Nasdaq ended sharply lower on Wednesday after a growing wave of weak economic data deepened worries that the Federal Reserve's rapid interest rate hikes might tip the U.S. economy into a recession.

EUROPE

European shares fell on Wednesday as investors maintained a cautious stance after data signalled a slower-than-expected pick-up in the euro zone's economic recovery. Sodexo jumps on spinning off rewards business. Utility, healthcare stocks climb to near 8-month highs.

ASIA

China and Hong Kong stocks fell on Thursday as simmering Sino-U.S. tensions offset fresh evidence of economic recovery, but a sustained rally in artificial intelligence (AI) and semiconductor shares capped losses in China.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	33482.72	0.24	0.15	1.01	33594.00	-0.18
S&P	4090.38	-0.25	1.04	6.53	4105.75	-0.28
Nasdaq	11996.86	-1.07	2.75	14.62	13023.50	-0.43
DJ EuroStoxx50	4298.36	-0.39	-0.36	13.30	4234.00	-0.02
FTSE 100	7662.94	0.37	-3.37	2.83	7655.50	0.11
CAC 40	7316.30	-0.39	-0.77	13.01	7324.00	N/A
DAX	15520.17	-0.53	-0.85	11.47	15638.00	-0.06
IBEX 35	9254.60	0.78	-2.70	12.46	9214.20	N/A
FTSE MIB	26867.39	-0.59	-3.87	13.33	26377.00	N/A
Nikkei	27813.26	-1.31	-2.80	5.19	27450.00	-1.33
Hang Seng	20274.59	-0.36	-1.77	2.13	20232.00	-0.34
DFM General	3429.63	-0.72	-0.77	2.80	N/A	N/A
MSCI Tadawoul	10920.63	-0.26	4.52	4.22	N/A	N/A
Leb. Mkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	88.45	89.50	87.50	0.00	-1.72	45.24
Solidere B	89.95	89.95	89.95	2.86	0.00	49.05

MUST READ

(Source: Bloomberg/ Forexlive)

Brazil China strike trade deal agreement to ditch US dollar

Brazil and China have reportedly struck a deal to ditch the U.S. dollar in favor of their own currencies in trade transactions. The deal, will enable China and Brazil to carry out trade and financial transactions directly, exchanging yuan for reais or vice versa rather than first converting their currencies to the U.S. dollar. The Brazilian Trade and Investment Promotion Agency (ApexBrasil) said the new arrangement is expected to "reduce costs" and "promote even greater bilateral trade and facilitate investment. China is Brazil's largest trading partner, accounting for more than a fifth of all imports, followed by the United States, according to the latest figures. China is also Brazil's largest export market, accounting for more than a third of all exports. China overtook the United States as Brazil's top trading partner in 2009. Today, Brazil is the largest recipient of Chinese investment in Latin America, driven by spending on high-tension electricity transmission lines and oil extraction. Officials from both countries reached a preliminary agreement to ditch the U.S. dollar in January and the deal was announced after a high-level China-Brazil business forum in Beijing.

MAIN WEEKLY EARNINGS

(Source: Nasdaq)

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
Constellation Brar	STZ US	\$40.9 B	06-Apr-23	Pre-mkt	1.87	2.37
Levi Strauss & Co	LEVI US	\$6.9 B	06-Apr-23	After-mkt	0.32	0.46
Apogee Enterprise	APOG US	1.1 B	12-Apr-23	Pre-mkt	0.83	0.91
UnitedHealth Gro	UNH US	\$456.7 B	14-Apr-23	Pre-mkt	6.23	5.49
J P Morgan Chase	JPM US	4383.10	14-Apr-23	Pre-mkt	3.43	2.63

ECONOMIC CALENDER

(Source: Forexlive)

(06-03-23) CH- Unemployment Rate s.a MoM MAR

(06-03-23) US- Initial Jobless Claims MAR

(06-03-23) CA- Unemployment Rate MAR; Net Change in Employment MAR

(06-03-23) CA- Average Hourly Wages YoY MAR; Participation Rate MAR

(06-03-23) CA- Ivey Purchasing Managers Index MAR

(07-03-23) US- Nonfarm Payrolls MAR; Unemployment Rate MAR

(07-03-23) US- Labor Force Participation Rate MAR

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