

Daily Market Brief

November 6th 2023



FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

EURUSD

The EUR/USD pair oscillates in a narrow trading band during the Asian session on Monday and consolidates last week's strong gains to its highest level since September 14 touched on Friday. In fact, the USD Index (DXY), which tracks the Greenback against a basket of currencies, recovers a part of Friday's heavy losses to a six-week low touched in the aftermath of softer US monthly employment details. The popularly known NFP report showed that the US economy added only 150K jobs in October as compared to 180K anticipated and the previous month's reading was also revised down to 297K from 336K reported originally.

GBPUSD

The GBP/USD is climbing into the 1.2400 handle after a trading week that saw the pair mostly flounder around the averages. After US Nonfarm Payrolls (NFP) came in well below expectations the Sterling climbed 1.6% from Friday's opening bids near 1.2190, and the GBP/USD is up almost 2.5% from the week's lows of 1.2095.

USDJPY

The USD/JPY pair attracts some dip-buying on the first day of a new week. the Bank of Japan's dovish stance, along with the prevalent risk-on environment, is seen undermining the safe-haven (JPY) and acting as a tailwind for the USD/JPY pair.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.0738	1.0740	1.0722	0.07	1.16	0.31
GBP-USD	1.2382	1.2384	1.2365	0.02	1.74	2.47
USD-JPY	149.48	149.67	149.25	0.06	-0.25	-12.28
USD-CHF	0.8967	0.8996	0.8966	-0.23	0.59	3.10
Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	1984.85	1993.17	1982.07	-0.39	-0.56	8.82
Silver	23.16	23.24	23.10	-0.23	-0.75	-3.31
Crude Oil	80.97	81.20	80.66	0.57	-1.63	4.73
Bitcoin	34844.86	35384.33	34673.88	0.47	-1.72	110.68
Etherium	1876.59	1908.99	1869.31	0.37	1.13	56.46
Period	1 M		3 M		12 M	
USD LIBOR *	5.44		5.64		6.04	
EURIBOR	3.88		3.96		4.00	
SOFR	5.32		5.38		5.33	
Notes/Bonds	2 Y		10 Y		30 Y	
US	4.86		4.58		4.77	
BTP - BUND	0.74		1.87		2.09	
GILTS	4.68		4.29		4.77	

INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

Wall Street's main stock indexes rallied on Friday as bond yields fell sharply after data showed signs of slowing U.S. jobs growth and an uptick in unemployment, boosting hopes that the Federal Reserve is done with its interest rate hiking campaign. Block surges on annual forecast raise.

EUROPE

Europe's benchmark STOXX 600 index posted its biggest weekly gain since March on Friday, supported by interest rate-sensitive real estate stocks as signs of an end to monetary policy tightening by major central banks boosted sentiment. BMW reports higher margin in Q3.

ASIA

China stocks hit two-week highs on Monday and Hong Kong shares also climbed as Beijing stepped up efforts to stabilise markets, while hopes of early interest rate cuts by global central banks aided sentiment further.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	34061.32	0.66	1.96	2.76	34157.00	0.07
S&P	4358.34	0.94	1.16	13.51	4378.00	0.06
Nasdaq	13478.28	1.38	0.35	28.78	15181.75	0.03
DJ EuroStoxx50	4174.67	0.12	0.73	10.04	4188.00	-0.07
FTSE 100	7417.73	-0.39	-1.03	-0.46	7417.00	0.09
CAC 40	7047.50	-0.19	-0.18	8.86	7055.50	N/A
DAX	15189.25	0.30	-0.27	9.09	15261.00	-0.01
IBEX 35	9293.90	0.36	0.63	12.94	9309.70	N/A
FTSE MIB	28674.83	0.69	3.11	20.96	28590.00	N/A
Nikkei	31949.89	2.27	4.60	25.21	32750.00	2.48
Hang Seng	17664.12	1.39	2.42	-9.46	17971.00	1.61
DFM General	3929.81	0.42	-5.64	17.80	N/A	N/A
MSCI Tadawoul	10938.95	0.79	1.62	4.39	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	0.00	11.66
Solidere B	69.25	#N/A N/A	#N/A N/A	0.00	0.00	14.75

MUST READ

(Source: Bloomberg/ Forexlive)

Elon Musk releases new AI chatbot *Grok* in bid to take on ChatGPT

Elon Musk's artificial intelligence start-up xAI has released its first AI model, as the tech billionaire looks to take on OpenAI, Google and Meta with a sassy chatbot that is tightly integrated with X, formerly Twitter. Grok, the new AI system, has "real time access" to information from X, the social media platform Musk bought for \$44bn a year ago, he said in a post on Saturday night, giving it a "massive advantage over other models" that have largely relied on older archives of internet data. The chatbot "loves sarcasm" and responds with "a little humour", Musk added, hoping that giving Grok more personality will allow it to stand out in an increasingly crowded market. "It will also answer spicy questions that are rejected by most other AI systems," xAI said as it announced a "very early" testing version of Grok. So-called generative AI companies - whose technology can create humanlike text, code and imagery in seconds - have raised billions of dollars this year as investor pile in to an industry that proponents say could be as transformative as the internet. Others, however, fear a new tech bubble is inflating, as commercialisation of the technology remains at an early stage.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
Vertex Pharmace	VRTX US	\$95.4 B	06-Nov-23	After-mkt	3.51	3.62
NXP Semiconduc	NXPI US	\$44.4 B	06-Nov-23	After-mkt	3.26	3.54
BioNTech	BNXT US	\$22.5 B	06-Nov-23	Pre-mkt	-0.58	7.04
Uber Technologie	UBER US	\$89.4 B	07-Oct-23	Pre-mkt	0.13	-0.61
Occidental Petrol	OXY US	\$54.6 B	07-Nov-23	After-mkt	0.89	2.44

ECONOMIC CALENDAR

(06-11-23) DE- Factory Orders n.s.a. SEP; HCOB Services, Composite PMI OCT
(06-11-23) EA- HCOB Composite PMI OCT; Sentix Investor Confidence NOV
(06-11-23) CA- Ivey Purchasing Managers Index OCT
(06-11-23) US- Loan Officer Survey Q3
(07-11-23) GB- BRC Like-For-Like Retail Sales YoY OCT
(07-11-23) DE- Industrial Production s.a. SEP
(07-11-23) EA- Producer Price Index SEP

CONTACT

Banque BEMO sal
Asset Management Unit

Ashrafieh, Elias Sarkis Ave., BEMO Bldg, 4th Floor
P.O.Box 16-6353 Beirut, Lebanon
Tel: +961 1 325405/6/7/9

Disclaimer: This report is published for information purposes only. The information herein has been compiled from, or based upon sources we believe to be reliable, but we do not guarantee or accept responsibility for its completeness and accuracy. This document should not be construed as a solicitation to take part in any investment, or as constituting any representation or warranty on our part. The investment risks described herein are not purported to be exhaustive, any person considering an investment should seek independent advice on the suitability or otherwise of the particular investment. Investment, Capital Market and Treasury products are subject to investment risk, including possible loss of principal amount invested. Past performance is not indicative of future results: prices can go up or down. Investors investing in investments and/or treasury products denominated in foreign (non-local) currency should be aware of the risk of exchange rate fluctuations that may cause loss of principal when foreign currency is converted to the investor's home currency. Client understands that it is his/her responsibility to seek legal and/or tax advice regarding the legal and tax consequences of his/her investment transactions. The consequences of any action taken on the basis of information contained herein are solely the responsibility of the recipient.