

# Daily Market Brief

June 7th 2023



## FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Forexlive)

### EURUSD

The EUR/USD pair has witnessed some selling interest after facing stiff barricades around 1.0700 in the early European session. The major currency pair is consistently defending the crucial support of 1.0670, therefore, a breakdown of the same would result in wider bearish ticks. The Euro has come under pressure as investors are anticipating a bleak economic outlook in Eurozone.

### GBPUSD

GBP/USD refreshes intraday low as the US Dollar picks up bids to pare the early Asian session losses heading into Wednesday's London open. In doing so, the Cable pair prints a four-day losing streak around 1.2415 by the press time. US (DXY) stretches the previous day's corrective bounce while rising towards 104.20 at the latest, despite being indecisive on the day. In doing so, the greenback's gauge versus six major currencies suffers from downbeat market bets on the Fed's next move amid the pre-FOMC blackout for the policymakers.

### USDJPY

USD/JPY prints mild losses around 139.35 despite bouncing off an intraday low early Wednesday morning. In doing so, the Yen pair struggles to justify the market's cautious optimism due to the recent hawkish bias about the Bank of Japan (BoJ), as well as a broad US Dollar weakness.

| Fx rates                                                                                | Last     | High     | Low      | % Daily | % Weekly | % YTD  |
|-----------------------------------------------------------------------------------------|----------|----------|----------|---------|----------|--------|
| EUR-USD                                                                                 | 1.0684   | 1.0704   | 1.0683   | -0.08   | -0.05    | -0.20  |
| GBP-USD                                                                                 | 1.2416   | 1.2438   | 1.2416   | -0.06   | -0.20    | 2.76   |
| USD-JPY                                                                                 | 139.20   | 139.68   | 139.15   | -0.31   | 0.10     | -5.80  |
| USD-CHF                                                                                 | 0.9075   | 0.9080   | 0.9063   | -0.01   | 0.35     | 1.87   |
| Commodities                                                                             | Last     | High     | Low      | % Daily | % Weekly | % YTD  |
| Gold                                                                                    | 1963.15  | 1966.74  | 1962.80  | -0.02   | 0.02     | 7.63   |
| Silver                                                                                  | 23.53    | 23.65    | 23.52    | -0.16   | 0.19     | -1.77  |
| Crude Oil                                                                               | 71.29    | 71.94    | 71.16    | -0.63   | 4.70     | -10.70 |
| Bitcoin                                                                                 | 26923.80 | 27375.85 | 26734.77 | -0.08   | -0.96    | 62.78  |
| Etherium                                                                                | 1880.60  | 1897.08  | 1871.94  | 0.20    | -1.28    | 56.80  |
| Period                                                                                  | 1 M      | 3 M      | 12 M     |         |          |        |
| USD LIBOR *                                                                             | 5.19     | 5.51     | 5.78     |         |          |        |
| EURIBOR                                                                                 | 3.22     | 3.49     | 3.88     |         |          |        |
| * 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                                                                                      | 4.49     | 3.66     | 3.84     |         |          |        |
| BTP - BUND                                                                              | 0.66     | 1.78     | 1.92     |         |          |        |
| GILTS                                                                                   | 4.48     | 4.21     | 4.47     |         |          |        |

## INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

### UNITED STATES OF AMERICA

U.S. stocks closed up on Tuesday, helped by some advances in economically sensitive sectors, as investors awaited inflation data and the Federal Reserve's policy meet next week. Coinbase slumps on U.S. SEC charge. Regional banks rally.

### EUROPE

European main share indices rose on Tuesday, supported by a jump in shares of healthcare giant Novo Nordisk (NOVOB.CO) though gains were capped by worries of further interest rate hikes by major central banks in the face of slowing economic growth.

### ASIA

China's blue-chip stocks dropped on Wednesday as investor sentiment was hit by worse-than-expected May export data, while Hong Kong tech stocks jumped, encouraged by U.S. Secretary of State Antony Blinken's plan to visit China in the coming weeks.

| Index          | Close      | % Daily | % M   | YTD     | Futures  | % Change |
|----------------|------------|---------|-------|---------|----------|----------|
| DJIA           | 33573.28   | 0.03    | -0.30 | 1.29    | 33608.00 | -0.02    |
| S&P            | 4283.85    | 0.24    | 3.57  | 11.57   | 4291.25  | 0.04     |
| Nasdaq         | 13276.42   | 0.36    | 8.51  | 26.85   | 14577.00 | -0.06    |
| DJ EuroStoxx50 | 4295.22    | 0.05    | -1.04 | 13.22   | 4305.00  | 0.12     |
| FTSE 100       | 7628.10    | 0.37    | -1.93 | 2.37    | 7636.50  | -0.01    |
| CAC 40         | 7209.00    | 0.11    | -3.01 | 11.36   | 7212.50  | N/A      |
| DAX            | 15992.44   | 0.18    | 0.20  | 14.86   | 16030.00 | 0.11     |
| IBEX 35        | 9310.80    | 0.23    | 1.79  | 13.14   | 9301.30  | N/A      |
| FTSE MIB       | 27036.67   | 0.67    | -1.14 | 14.05   | 27054.00 | N/A      |
| Nikkei         | 32506.78   | -1.40   | 9.93  | 22.83   | 32040.00 | -1.05    |
| Hang Seng      | 19099.28   | 1.13    | -3.66 | -2.36   | 19275.00 | 1.51     |
| DFM General    | 3677.98    | 0.69    | 2.65  | 10.25   | N/A      | N/A      |
| MSCI Tadawoul  | 11316.87   | 0.21    | 0.53  | 8.00    | N/A      | N/A      |
| Leb. Mkts      | Closing Px | High    | Low   | % Daily | % Weekly | YTD      |
| Solidere A     | 81.00      | 83.00   | 79.00 | -2.41   | -3.69    | 33.00    |
| Solidere B     | 81.80      | 82.10   | 81.00 | -1.09   | -1.15    | 35.54    |

## MUST READ

(Source: Bloomberg/ Forexlive)

### Short sellers who bet against Nvidia lost \$2.2 billion in a single day

Short sellers who bet against Nvidia lost billions of dollars in a single day as the stock staged a stunning rally after the chipmaker released business forecasts that blew Wall Street estimates out of the water. Traders who had shorted the shares incurred \$2.2 billion in mark-to-market losses as Nvidia's share price soared more than 24%, according to financial data firm S3 Partners. So far this year, those who bet against the company lost an estimated \$8 billion, as its shares more than doubled in price in 2023. The Santa Clara, California-based semiconductor firm's stock is by far the most loss-making short year-to-date, while Tesla is second at \$5.8 billion and Apple at \$5 billion, per S3. Nvidia is still the fourth most-short stock in America, trailing behind Apple, Tesla and Microsoft, Bloomberg reported, noting that short sellers have wagered more than \$9 billion on the chipmaker's share price falling. However, short sellers have been ditching their positions albeit at a loss. The number of Nvidia shares that these contrarian traders shorted fell by nearly 11% in the past month, and have plummeted around 23% so far in 2023, per Bloomberg. "The inflection in Generative AI development is here Goldman Sachs analyst Toshiya Hari said. The bank raised its price target from \$275 to \$440, and brushed aside the threat of competitors on the rise against Nvidia. JPMorgan also doubled its price target for the stock to \$500, and the firm said it expects more demand for AI tech to follow.

## MAIN WEEKLY EARNINGS

(Source: Nasdaq)

| Company         | Ticker  | Market Cap | Date      | Time      | Estimate | Year Ago |
|-----------------|---------|------------|-----------|-----------|----------|----------|
| DocuSign, Inc   | DOCU US | \$10.8 B   | 08-Jun-23 | After-mkt | 0.02     | -0.12    |
| Toro Company    | TTC US  | \$10.5 B   | 08-Jun-23 | Pre-mkt   | 1.50     | 1.25     |
| Braze, Inc      | BRZE US | \$3.1 B    | 08-Jun-23 | After-mkt | -0.38    | -0.37    |
| Signet Jewelers | SIG US  | \$3.2 B    | 08-Jun-23 | Pre-mkt   | 1.44     | 2.86     |
| NIO Inc.        | NIO US  | \$13.2 B   | 09-Jun-23 | Pre-mkt   | -0.22    | -0.18    |

## ECONOMIC CALENDAR

(Source: Forexlive)

(07-06-23) CH- Unemployment Rate s.a MoM MAY  
(07-06-23) US- Goods and Services Trade Balance APR  
(07-06-23) CA- BoC Rate Statement; BoC Interest Rate Decision  
(08-06-23) JP- Gross Domestic Product QoQ Q1  
(08-06-23) EA- Gross Domestic Product s.a. QoQ, YoY Q1  
(08-06-23) US- Initial Jobless Claims JUN  
(09-06-23) CA- Unemployment Rate MAY; Net Change in Employment MAY

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