

Daily Market Brief

November 07 2023



FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

EURUSD

The EUR/USD pair extends its sideways consolidative price move during the Asian session on Tuesday and trades below its highest level since September 13 touched the previous day. Spot prices, however, manage to hold above the 1.0700 mark and remain at the mercy of the US Dollar (USD) price dynamics.

GBPUSD

The GBP/USD pair trades with a negative bias for the second straight day on Tuesday and retreats further from its highest level since mid-September. The British Pound (GBP), on the other hand, is weighed down by the Bank of England's (BoE) bleak outlook, saying that the UK economy risks falling into recession next year.

USDJPY

The USD/JPY pair struggles to capitalize on the previous day's positive move and seesaws between tepid gains/minor losses during the Asian session on Tuesday. The USD uptick could be attributed to some repositioning trade ahead of speeches by influential FOMC members, including Federal Reserve (Fed) Chair Jerome Powell, which might provide fresh cues about the future rate hike path. The Japanese Yen (JPY), on the other hand, is undermined by a more dovish stance adopted by the Bank of Japan (BoJ).

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.0697	1.0722	1.0696	-0.20	1.15	-0.07
GBP-USD	1.2319	1.2349	1.2315	-0.20	1.37	1.95
USD-JPY	150.42	150.43	149.94	0.23	0.84	-12.83
USD-CHF	0.9008	0.9012	0.8985	0.16	1.07	2.63
Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	1969.90	1978.39	1969.04	-0.42	-0.70	8.00
Silver	22.80	23.08	22.80	-0.98	-0.19	-4.82
Crude Oil	79.93	81.05	79.82	-1.10	-1.35	3.39
Bitcoin	34936.89	35156.49	34824.65	-0.27	0.06	111.23
Etherium	1893.81	1907.04	1878.94	0.05	4.93	57.90
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	5.37	5.26			
Notes/Bonds	2 Y	10 Y	30 Y			
US	4.93	4.65	4.82			
BTP - BUND	0.77	1.91	2.14			
GILTS	4.72	4.38	4.85			

INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

Stocks eked out narrow gains Monday to build on last week's strong rally, with the Nasdaq Composite notching its longest positive streak since January. Stocks are coming off their best week of 2023. The Dow notched its biggest weekly advance since October 2022, while the S&P and Nasdaq notched their best weeks since November 2022. A soft monthly jobs report also drove bond yields lower, giving a boost to equities.

EUROPE

European markets are heading for a negative open as positive momentum stalls in the region. Regional markets closed lower Monday as the buoyant sentiment seen last week dissipated. It's a busy day for earnings in Europe Tuesday with UBS, Deutsche Post, Metro Bank and Associated British Foods reporting.

ASIA

Shares mostly fell in Asia on Tuesday after a mixed close on Wall Street, where wild recent moves calmed a bit at the beginning of a quiet week for data releases. China reported its imports rose 3% in October, while exports fell 6.4% Australia's central

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	34095.86	0.10	2.06	2.86	34069.00	-0.28
S&P	4365.98	0.18	1.33	13.71	4372.50	-0.26
Nasdaq	13518.78	0.30	0.65	29.16	15195.25	-0.25
DJ EuroStoxx50	4158.64	-0.38	0.34	9.62	4154.00	-0.43
FTSE 100	7417.76	0.00	-1.03	-0.46	7415.00	-0.24
CAC 40	7013.73	-0.48	-0.66	8.34	6987.00	N/A
DAX	15135.97	-0.35	-0.62	8.71	15155.00	-0.33
IBEX 35	9241.50	-0.56	0.06	12.30	9225.00	N/A
FTSE MIB	28592.60	-0.29	2.81	20.61	28380.00	N/A
Nikkei	32271.82	-1.34	4.12	23.67	32270.00	-1.22
Hang Seng	17966.59	-1.46	1.25	-10.50	17731.00	-1.46
DFM General	3956.96	0.49	-4.52	19.19	N/A	N/A
MSCI Tadawoul	10948.86	-0.06	1.65	4.43	N/A	N/A

Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	68.45	68.50	66.00	0.66	0.66	12.40
Solidere B	65.55	66.00	65.00	-5.34	-5.34	8.62

MUST READ

(Source: Bloomberg/ Forexlive)

Gaza conflict shakes Middle East economies

War in Gaza is threatening the fragile and tourism-dependent economies of Egypt, Jordan and Lebanon and triggering concerns that the impact will spread across the Middle East. In Jordan, where tourism accounts for 10 per cent of gross domestic product, one tour operator said the war had triggered a string of cancellations: "Just like that, months and months of bookings have disappeared," he said. In Egypt, where the government has already turned to the IMF to relieve its economic crisis, many tourism bookings in Sinai, which borders Gaza, have been cancelled. "Uncertainty is a killer for tourist inflows," said Kristalina Georgieva, the IMF's managing director, at Saudi Arabia's Future Investment Initiative conference last week. Lebanon, already in profound crisis, relies on tourism for about 40 per cent of GDP and now faces a further economic deterioration, Walid Nassar, its tourism minister, told CNN Business Arabic. For the petro states of the Gulf, on the other hand, higher oil prices could boost state revenues dented by Opec output cuts. "But this will likely be offset by reduced foreign direct investment inflows and tourism income," said James Reeve, chief economist at Jadwa Investment in Riyadh. "Given that the priority is economic diversification, this is the bigger loss."

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
Uber Technologie	BER US	\$98.37 B	07-Nov-23	Pre-mkt	0.21	-0.61
Occidental Petroli	OXY US	\$54.63 B	07-Nov-23	Aft-mkt	0.87	2.44
Rivian Automotivi	IVN US	\$16.29 B	07-Nov-23	Aft-mkt	-1.32	-1.57
Devon Energy Cor	DEV US	\$29.93 B	07-Nov-23	Aft-mkt	1.57	2.18
EBAY Inc	BAY US	\$21.48 B	07-Nov-23	Aft-mkt	0.99	1.00

ECONOMIC CALENDAR

(07-11-23) DE - Industrial Production SA MoM
(07-11-23) US - Trade Balance
(08-11-23) DE - CPI MoM / YoY
(08-11-23) US - MBA Mortgage Applications
(08-11-23) CA - Building Permits MoM
(09-11-23) JN - BoP Current Account Balance
(09-11-23) US - Initial Jobless Claims

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