

Daily Market Brief

November 08 2023



FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

EURUSD

The EUR/USD pair lacks any firm intraday direction on Wednesday and fluctuates in a narrow trading band, around the 1.0700 round-figure mark during the Asian session. The recent sharp pullback in the US Treasury bond yields, along with an extended rally in the US equity markets seen as a key factor acting as a tailwind for the EUR/USD pair.

GBPUSD

The GBP/USD pair lacks any firm intraday direction on Wednesday and oscillates in a narrow band below the 1.2300 mark during the Asian session. Traders seem reluctant to place aggressive bets and opt to remain on the sidelines ahead of scheduled speeches by the Bank of England (BoE) Governor Andrew Bailey and Federal Reserve (Fed) Chair Jerome Powell.

USDJPY

The USD/JPY pair trades with a positive bias for the third straight day on Wednesday and is currently placed near mid-150.00s, just below the weekly high touched the previous day. The Japanese Yen (JPY) continues with its relative underperformance in the wake of a more dovish stance adopted by the Bank of Japan (BoJ), which, in turn, is seen acting as a tailwind for the USD/JPY pair.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.0687	1.0702	1.0683	-0.12	1.11	-0.17
GBP-USD	1.2277	1.2303	1.2272	-0.19	1.03	1.61
USD-JPY	150.65	150.71	150.34	0.19	0.20	-12.96
USD-CHF	0.9011	0.9014	0.8993	0.11	0.74	2.60
Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	1968.93	1971.08	1965.07	-0.03	-0.69	7.94
Silver	22.53	22.66	22.41	-0.49	-1.85	-5.97
Crude Oil	77.39	77.53	76.51	0.03	-3.79	0.10
Bitcoin	35297.92	35504.61	35191.14	-0.57	1.96	113.42
Etherium	1879.92	1893.68	1873.83	-0.71	2.77	56.74
Period	1 M	3 M	12 M			
USD LIBOR *	5.44	5.63	6.04			
EURIBOR	3.86	3.96	4.02			
SOFR	5.32	5.37	5.26			
Notes/Bonds	2 Y	10 Y	30 Y			
US	4.94	4.61	4.76			
BTP - BUND	0.77	1.89	2.13			
GILTS	4.63	4.27	4.74			

INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

The S&P 500 and Nasdaq Composite rose on Tuesday notch their longest winning streaks in nearly two years. Technology stocks moved higher as yields pulled back, with the yield on the 10-year Treasury note last trading about 9 basis points lower at 4.573%. Elsewhere, Wall Street awaits more commentary from central bank speakers, including Federal Reserve Chair Jerome Powell.

EUROPE

European stock markets closed lower Tuesday as positive momentum stalled in the region and third-quarter earnings continue to roll in. Swiss bank UBS closed 1.8% higher after gaining over 3% before paring some gains, following its first full quarterly results since completing its takeover of Credit Suisse.

ASIA

Asian markets had enjoyed a stellar rally in the wake of a less hawkish Fed from last week, they largely cooled their gains in recent sessions as investors awaited more cues from the Fed and from China. Uncertainty over China also kept regional sentiment muted, following a string of weak economic readings from the country for October.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	34152.60	0.17	2.23	3.03	34176.00	-0.09
S&P	4378.38	0.28	1.62	14.04	4389.50	-0.12
Nasdaq	13639.86	0.90	1.55	30.32	15344.25	-0.17
DJ EuroStoxx50	4153.37	-0.13	0.22	9.48	4150.00	-0.34
FTSE 100	7410.04	-0.10	-1.13	-0.56	7399.50	-0.30
CAC 40	6986.23	-0.39	-1.05	7.92	6993.00	N/A
DAX	15152.64	0.11	-0.51	8.83	15157.00	-0.40
IBEX 35	9235.90	-0.06	0.00	12.23	9241.70	N/A
FTSE MIB	28395.90	-0.69	2.10	19.78	28302.00	N/A
Nikkei	32166.48	-0.33	3.78	23.27	32140.00	-0.40
Hang Seng	17670.16	-0.55	0.50	-11.16	17598.00	-0.65
DFM General	3989.71	-0.33	-4.52	19.19	N/A	N/A
MSCI Tadawoul	10945.97	-0.03	3.30	4.46	N/A	N/A

Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	69.95	69.95	69.50	2.19	2.87	14.86
Solidere B	66.00	66.00	66.00	0.69	-4.69	9.36

MUST READ

(Source: Bloomberg/ Forexlive)

Bofa projects US debt to surpass \$50 trillion by 2033

The US government's debt is on track to surpass \$50 trillion by 2033, Bank of America said in a Tuesday note, citing data from the Congressional Budget Office. US public debt outstanding currently sits at \$33.6 trillion and is expected to surge by \$20 trillion to \$54 trillion within the next decade amid "fiscal excess in the 2020s," Bank of America investment strategist Michael Hartnett said. "US public debt is... more than the combined GDPs of China, Japan, Germany, and India," he wrote, adding that the outstanding debt is set to surge by \$5.2 billion every single day, or \$218 million every hour, for the next 10 years. The surge in debt has coincided with an explosion in the federal deficit, which jumped by \$320 billion to \$1.7 trillion in 2023. That's forced the Treasury Department to auction trillions of dollars of fresh bonds. Adding to the burden is the surge in annual interest payments caused by spiking bond yields. Those payments are taking up a bigger slice of the federal budget and widening deficits. Estimated annualized debt interest payments surpassed \$1 trillion in October. A separate measure of US debt that's more closely followed by economists is "debt held by the public," which is less daunting but still on a steep uptrend. At the end of fiscal 2023, it stood at \$26.3 trillion, or 98% of projected GDP, and the CBO sees it climbing to 115% by 2033.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
Kellanova	K US	\$17.71 B	08-Nov-23	Pre-mkt	0.91	1.01
Warner Bros Disc	WBD US	\$28.30 B	08-Nov-23	Pre-mkt	-0.14	-0.74
Ralph Lauren Corj	RL US	\$7.34 B	08-Nov-23	Pre-mkt	1.96	2.23
Under Armour	UAA US	\$3.02 B	08-Nov-23	Pre-mkt	0.21	0.20
Walt Disney	DIS US	\$152.40 B	08-Nov-23	Aft-mkt	0.69	0.30

ECONOMIC CALENDAR

(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
(10-11-23) UK - Industrial/ Manufacturing Production MoM / GDP QoQ
(10-11-23) US - U. of Mich. Sentiment

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