

Daily Market Brief

October 9th 2024



FOREIGN EXCHANGE MARKETS (Sources: Bloomberg / Reuters)

EURUSD
The EUR/USD pair remained stable on Tuesday, unable to regain the 1.1000 level as the Euro continued its decline from a recent peak, falling to the 1.0950 region amid a stronger US Dollar. European economic data has been lackluster ahead of the European Central Bank's upcoming rate decision, while traders are focused on the Federal Reserve's Meeting Minutes and upcoming inflation figures. Expectations for a modest 25 basis point rate cut in November are growing, but persistent core inflation and strong US labor data are dampening hopes for aggressive rate cuts.

GBPUSD
The GBP/USD pair is struggling to maintain gains from the previous day and is trading around the 1.3085-1.3080 area. The British Pound is under pressure due to market expectations that the Bank of England may accelerate its rate-cutting cycle, influenced by dovish comments from Governor Andrew Bailey. Meanwhile, the US Dollar remains strong, bolstered by reduced expectations for aggressive rate cuts by the Federal Reserve and ongoing geopolitical tensions, suggesting a bearish outlook for the pair ahead of upcoming US inflation data.

USDJPY
The Japanese Yen is weakening against the US Dollar during the Asian session, with the USD/JPY pair approaching this week's swing high ahead of the FOMC meeting minutes release. Diminished expectations for Bank of Japan rate hikes and a decline in real wages have left JPY bulls vulnerable, while news of a potential Hezbollah-Israel ceasefire is reducing safe-haven demand for the Yen.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.0971	1.0981	1.0962	-0.08	-0.67	-0.62
GBP-USD	1.3091	1.3106	1.3081	-0.10	-1.33	2.83
USD-JPY	148.60	148.62	148.01	0.27	-1.43	-5.09
USD-CHF	0.8578	0.8583	0.8569	0.05	-0.94	-1.91
Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	2618.30	2624.37	2615.07	-0.13	-1.52	26.92
Silver	30.61	30.77	30.46	-0.18	-3.83	28.65
Crude Oil	74.10	74.26	73.53	0.72	5.71	4.88
Bitcoin	62465.72	62523.93	61984.19	0.19	0.07	46.95
Etherium	2448.02	2472.22	2426.15	0.25	0.78	7.26
Period	1M	3M	6M	12M		
SOFR (\$)	4.82	4.68	4.47	4.16		
ESTR (€)	2.58	3.14	2.95	2.58		
SONIA (£)	4.96	4.79	4.64	4.40		
SARON (F)	0.93	0.84	0.73	0.58		
TONAR (¥)	0.22	0.19	0.13	0.06		

Rates	
U.S. Federal Fund Target Rate	5.00
ECB Main Refinancing Operation Announcement Rate	3.65
ECB Deposit Facility Announcement Rate	3.50
ECB Marginal Lending Facility Announcement Rate	3.90
BOE Official Bank Rate	5.00

INTERNATIONAL EQUITY MARKETS (Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA
Stocks rebounded on Tuesday following a losing session on Wall Street, as oil prices eased and investors assessed ongoing tensions in the Middle East. Technology shares powered higher Tuesday, with Nvidia and Broadcom gaining 4% and 3% respectively. Meta Platforms, Tesla and Microsoft rose at least 1% each, while Palo Alto Networks rallied 5%.

EUROPE
European markets closed lower Tuesday afternoon after a shaky start to the week, with investors reacting to a slowdown in China's stimulus rally. European drinks makers LVMH, Pernod Ricard and Diageo all slumped after China announced temporary anti-dumping measures on European brandy imports, days after the EU's vote on electric vehicle tariffs.

ASIA
Chinese stocks sold off in another volatile day of trading amid mixed Asia-Pacific markets Wednesday. The mainland CSI 300 dropped 5.3% while Hong Kong's Hang Seng index extended its losses, falling 1.4%.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	42080.37	0.30	3.06	11.65	42338.00	0.21
S&P	5751.13	0.97	5.12	20.57	5789.75	0.77
Nasdaq	18182.92	1.45	7.69	21.13	20240.75	1.22
DJ EuroStoxx50	4949.00	-0.42	3.56	9.46	4978.00	-0.30
FTSE 100	8190.61	-1.36	-0.97	5.91	8252.50	-1.07
CAC 40	7521.32	-0.72	1.29	-0.29	7565.00	-0.72
DAX	19066.47	-0.20	3.38	13.82	19229.00	-0.05
IBEX 35	11734.70	0.15	4.10	16.16	11738.80	0.28
FTSE MIB	33733.90	-0.24	0.43	11.14	33608.00	-0.26
Nikkei	38937.54	1.06	8.65	17.59	39380.00	0.03
Hang Seng	20926.79	0.64	22.47	23.54	21095.00	-9.03
DFM General	4429.00	0.77	1.60	9.09	N/A	N/A
MSCI Tadawoul	12027.17	0.95	0.54	0.50	N/A	N/A

Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	92.55	98.40	92.00	-1.91	-1.28	3.87
Solidere B	92.00	92.00	92.00	-1.66	2.22	2.28

MUST READ (Source: Bloomberg/ Forexlive)

Renewable energy to fall short of UN goal to triple by 2030, IEA says
Renewable energy sources are set to meet nearly half of all electricity demand by the end of the decade, but to fall short of a U.N. goal to triple capacity to reduce carbon emissions, an International Energy Agency (IEA) report showed on Wednesday. The world is set to add more than 5,500 gigawatts (GW) of renewable energy capacity between now and 2030, almost three times the increase between 2017 and 2023, the IEA Renewables 2024 report said. It said the increase is equivalent to the current power capacity of China, the European Union, India and the United States combined, but not enough to meet a target set at the COP28 U.N. climate conference. For the world to triple capacity, governments need to intensify efforts to integrate renewables into power grids. This requires the building and modernising of 25 million kilometres (15.5 million miles) of electricity grids and reaching 1,500 GW of storage capacity by 2030, the IEA said. Solar photovoltaic (PV) is set to account for 80% of the growth in renewable energy capacity to 2030. The wind sector is also forecast to recover and double its rate of expansion to 2030 compared with 2017-2023. Global solar manufacturing capacity is expected to be more than 1,100 GW by the end of 2024, more than double the estimated demand by then. This supply glut has helped to cheapen solar module prices but also means many manufacturers are experiencing large financial losses, the report added. While the U.N. target is a challenge, national governments are hitting their goals, with 70 countries, accounting for 80% of global renewable power capacity, estimated to reach or surpass their renewable energy targets for 2030.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
Delta Airlines	DAL US	\$ 32.67B	10-Oct-24	Pre-mkt	1.48	2.03
JPMorgan Chase & Co	JPM US	\$ 599.62B	11-Oct-24	Pre-mkt	4.01	4.33
Blackrock Inc	BLK US	\$ 140.58B	11-Oct-24	Pre-mkt	10.27	10.91
Bank of New York	BK US	\$ 54.02B	11-Oct-24	Pre-mkt	1.41	1.27
Wells Fargo & co	WFC US	\$ 195.04B	11-Oct-24	Pre-mkt	1.28	1.39

ECONOMIC CALENDAR

(09-10-24) US - MBA Mortgage Applications
(10-10-24) JP - PPI YoY / MoM
(10-10-24) US - CPI MoM / Core CPI
(11-10-24) DE - CPI YoY / MoM
(11-10-24) UK - Industrial Production MoM / YoY
(11-10-24) CA - Net Change in Employment / Unemployment Rate
(11-10-24) US - U. of Mich. Sentiment

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

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