Daily Market Brief

December 9th 2024

BANQUE BEMO

FOREIGN EXCHANGE MARKETS (Sources: Bloomberg / Reuters)

EUR/USD

The EUR/USD pair is showing a slight negative bias near 1.0550 ahead of key events this week, including the US CPI report on Wednesday and the ECB interest rate decision on Thursday. Market expectations are rising for a US rate cut in December, while the ECB is expected to deliver its fourth rate cut of the year, with any dovish signals from the ECB potentially weighing on the Euro.

GBP/USD

The GBP/USD pair is trading cautiously below the 1.2800 mark as market sentiment is influenced by a mix of factors, including expectations of a Fed rate cut in December and geopolitical concerns. The upcoming US CPI report and speeches from BoE officials could provide further direction for the pair, with traders eyeing developments in both the US and UK economies.

USD/JPY

The Japanese Yen struggles to gain momentum against the US Dollar, with uncertainty over potential Bank of Japan rate hikes and a modest USD uptick limiting JPY strength. Geopolitical concerns, along with the upcoming US CPI report, are likely to influence the USD/JPY pair's direction as investors await further clarity on the Fed's rate cut plans.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.0544	1.0570	1.0532	-0.23	0.44	-4.48
GBP-USD	1.2730	1.2752	1.2717	-0.11	0.59	-0.01
USD-JPY	150.13	150.19	149.69	0.09	-0.35	-6.05
USD-CHF	0.8801	0.8804	0.8776	0.15	0.73	-4.40

Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	2644.34	2650.61	2627.62	0.42	0.20	28.18
Silver	31.14	31.29	30.87	0.56	2.06	30.87
Crude Oil	67.62	67.64	67.08	0.63	-0.70	-3.32
Bitcoin	99218.61	101434.84	98567.76	-0.87	1.37	133.41
Etherium	3920.60	4018.31	3907.07	-1.85	1.98	71.78

Period	1M	3M	6M	12M
SOFR ($)	4.48	4.43	4.33	4.18
ESTR (€)	2.14	2.81	2.49	2.14
SONIA (£)	4.70	4.65	4.55	4.38
SARON (F)	0.61	0.59	0.46	0.26
TONAR (¥)	0.22	0.22	0.18	0.10

	Rates
U.S. Federal Fund Target Rate	4.75
ECB Main Refinancing Operation Announcement Rate	3.4
ECB Deposit Facility Announcement Rate	3.25
ECB Marginal Lending Facility Announcement Rate	3.65
BOE Official Bank Rate	4.75

INTERNATIONAL EQUITY MARKETS (Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

The S&P 500 and Nasdaq Composite rose to fresh records on Friday after November jobs data came in slightly better than expected, but not so hot as to deter the Federal Reserve from cutting rates again later this month. The unemployment rate nudged up to 4.2%, as expected.

EUROPE

European markets closed slightly higher on Friday as investors in the region reviewed the latest political developments in France. Investors are still digesting a vote that toppled French Prime Minister Michel Barnier's minority government on Wednesday evening.

ASIA

South Korea's Kospi stock index fell over 2% Monday after President Yoon Suk Yeol survived an impeachment vote over the weekend as the fallout from his brief declaration of martial law continues to roil the country. Japan's third-quarter GDP was revised to 0.3% on a quarter-on-quarter basis, up from 0.2% and above estimates from a Reuters poll that predicted no change.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	44642.52	-0.28	1.49	18.45	44674.00	-0.43
S&P	6090.27	0.25	1.58	27.68	6097.00	0.13
Nasdaq	19859.77	0.81	2.97	32.30	21655.00	0.83
DJ EuroStoxx50	4977.78	0.53	3.64	10.09	4978.00	0.28
FTSE 100	8308.61	-0.49	2.93	7.44	8329.50	-0.43
CAC 40	7426.88	1.31	1.20	-1.54	7438.00	1.31
DAX	20384.61	0.13	6.08	21.69	20410.00	0.05
IBEX 35	12072.00	-0.39	4.51	19.50	12072.40	-0.48
FTSE MIB	34749.50	0.36	2.76	14.49	34798.00	0.34
Nikkei	39091.17	0.18	-0.86	17.02	39190.00	-0.51
Hang Seng	19865.85	-0.37	-4.51	16.11	19852.00	0.97
DFM General	4854.45	0.07	4.69	19.65	N/A	N/A
MSCI Tadawoul	11955.24	0.20	-1.45	0.20	N/A	N/A

Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	90.00	93.00	89.15	0.06	-3.59	1.01
Solidere B	90.00	90.00	89.15	-5.21	-4.36	0.06

MUST READ (Source: Bloomberg/ Forexlive)

China's Nov bank lending seen doubling as stimulus kicks in

China's new yuan loans are expected to nearly double in November compared to October, according to a Reuters poll, signaling a rebound in credit demand as Beijing's efforts to support economic growth take effect. Banks are estimated to have issued 990 billion yuan ($136 billion) in new loans, up from 500 billion yuan in October but below the 1.09 trillion yuan from November 2023. In total, banks granted 16.52 trillion yuan in loans during the first 10 months of 2024, down from 20.49 trillion yuan last year. Despite challenges like a sluggish property market and weak domestic demand, China's economy grew 4.6% in Q3, surpassing expectations. In response, the government has implemented significant policy stimulus since September, including a $1.4 trillion debt relief package for local governments and tax incentives to boost the property sector. Looking ahead, Chinese leaders will convene at the Central Economic Work Conference to discuss policies for 2025. Amid these developments, concerns about rising U.S.-China tensions grow, especially with potential new tariffs under President Trump's second term. China's broad M2 money supply and total social financing are expected to show growth, signaling ongoing economic support.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
Oracle Corporatic	ORCL US	$ 531.19B	09-Dec-24	Aft-mkt	1.48	1.34
Mongodb Inc	MDB US	$ 25.37B	09-Dec-24	Aft-mkt	0.69	0.96
C3.AI Inc	AI US	$ 5.01B	09-Dec-24	Aft-mkt	-0.16	-0.13
Autozone Inc	AZO US	$ 55.94B	10-Dec-24	Pre-mkt	33.62	32.55
Adobe Inc	ADBE US	$ 243.41B	11-Dec-24	Aft-mkt	4.67	4.27

ECONOMIC CALENDAR

(09-12-24) JP - GDP SA QoQ
(09-12-24) JP - BoP Current Account Balance
(10-12-24) DE - CPI YoY / MoM
(11-12-24) US - CPI MoM / YoY
(11-12-24) CA - Bank Of Canada Rate Decision
(12-12-24) EC - ECB Deposit Facility Rate / ECB Refinancing Rate / ECB Marginal Lending Facility
(12-12-24) US - Initial Jobless Claims

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 finformation contained herein are solely the responsibility of the recipient.