

Daily Market Brief

May 10th 2024



FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

EUR/USD

EUR/USD gained ground on Thursday, finding upside on the week after the USD broadly fell back after rising US Initial Jobless Claims sparked renewed hope of rate cuts from the Fed. US consumer sentiment due on Friday.

GBP/USD

The GBP/USD pair posts modest gains near 1.2525 during the early Asian session on Friday. The major pair bounces off the lows of 1.2445 after the BoE's dovish hold. The attention on Friday will shift to the first reading of the UK GDP for Q1 and the US Michigan Consumer Sentiment report. The BoE kept rates unchanged at 5.25% and opened the door to a rate cut sooner than expected. Fed's Daly said it's difficult to make projections for policy until the central bank gets more clarity.

USD/JPY

The USD/JPY pair trades on a stronger note around 155.50 on Friday during the early Asian trading hours. The renewed USD demand lifts the pair. Nonetheless, the verbal intervention and the hawkish comment from the BOJ Governor Kazuo Ueda might cap the downside of the JPY for the time being. The BoJ's recent hawkish comments and FX intervention considerations support the Japanese Yen.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.0775	1.0786	1.0773	-0.06	0.13	-2.39
GBP-USD	1.2518	1.2530	1.2512	-0.05	-0.23	-1.67
USD-JPY	155.64	155.77	155.27	0.10	-1.66	-9.38
USD-CHF	0.9067	0.9074	0.9055	0.08	-0.14	-7.20
Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	2356.76	2358.82	2343.95	0.44	2.39	14.24
Silver	28.46	28.48	28.23	0.52	7.17	19.62
Crude Oil	79.88	79.90	79.58	0.78	2.27	10.76
Bitcoin	62804.94	63416.29	62425.85	0.27	-1.48	47.75
Etherium	3031.79	3058.54	3018.06	0.34	-3.38	32.84
Period	1 M	3 M	12 M			
EURIBOR	3.87	3.81	3.64			
SOFR	5.32	5.32	5.15			
Notes/Bonds	2 Y	10 Y	30 Y			
US	4.82	4.46	4.61			
BTP - BUND	0.52	1.34	1.74			
GILTS	4.28	4.14	4.62			

INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

Stocks rose Thursday, with the Dow Jones Industrial Average claiming a seventh winning day, as new jobless claims data rekindled hope for Federal Reserve rate cuts later this year. Fresh weekly jobless claims data came in at the highest level since August, raising expectations that central bankers might cut interest rates at some point this year. A bond auction met with strong demand helped drive yields lower on Thursday.

EUROPE

European markets closed higher on Thursday, as positive momentum was maintained on a busy week of earnings. The Bank of England announced it would hold interest rates steady which was in line with expectations. More policymakers voted in favor of a rate cut than at the BOE's previous meeting.

ASIA

China stocks rose Thursday as its imports surged past estimates and exports rose in line with expectations, while the broader Asia-Pacific market was mixed. Separately, real wages in Japan fell 2.5% year on year in March.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	39387.76	0.85	2.41	4.51	39585.00	0.12
S&P	5214.08	0.51	1.04	9.31	5243.75	0.10
Nasdaq	16346.26	0.27	1.09	8.89	18227.75	0.08
DJ EuroStoxx50	5054.41	0.32	1.07	11.79	5059.00	0.24
FTSE 100	8381.35	0.33	5.28	8.38	8433.50	0.45
CAC 40	8187.65	0.69	1.77	8.54	8177.00	0.00
DAX	18686.60	1.02	3.26	11.55	18866.00	0.26
IBEX 35	11050.10	-0.92	2.55	9.38	11060.80	0.00
FTSE MIB	34339.32	0.55	0.88	13.14	34057.00	0.00
Nikkei	38073.98	0.24	-3.58	14.05	38170.00	0.34
Hang Seng	18537.81	2.16	10.50	11.10	18911.00	2.24
DFM General	4179.74	-0.32	-1.52	2.95	N/A	N/A
MSCI Tadawoul	12284.41	-1.41	-3.31	2.65	N/A	N/A

Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	70.00	70.00	70.00	0.00	-3.38	-21.44
Solidere B	69.00	69.00	69.00	4.23	-4.76	-23.29

MUST READ

(Source: Bloomberg/ Forexlive)

China is in the middle of its own retirement crisis

China is going through a retirement crisis, with a significant portion of older people finding that they can't afford to stop working. Citing data from the OECD, Reuters reported on Tuesday that of the 734 million people working in China, 94 million, or 13%, are over the age of 60, the retirement age for men in China. That rivals the share of workers who are of retirement age in the US, where 10%-15% are aged 60 or older. The proportion of older people in the workforce has risen dramatically in the last few years, up from just 8% recorded in 2020. That's largely due to China's rapidly aging population, with officials anticipating 300 million people to reach retirement age over the next 10 years, according to OECD data. That's nearly half of China's workforce and not much smaller than the entire US population. The demographic imbalance has put a huge strain on government benefits, especially considering China's youth high unemployment rate, meaning less money is added to the pool of available resources to keep people afloat in retirement. Monthly pensions in urban areas range from 3,000 yuan to 6,000 yuan, Reuters reported, which is equivalent to \$415-\$830 dollars in the US. Pension payments, at a minimum, are 123 yuan a month, the equivalent of \$17. The situation mirrors some of what is going on in the US, with an aging population and a growing number of older people being forced to work past retirement age in order to keep paying the bills.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
AMC Networks In	AMCX US	\$ 598.1M	10-May-24	Pre-mkt	1.75	2.62
Ani Pharmaceutic	ANIP US	\$ 1.39B	10-May-24	Pre-mkt	1.00	1.17
Sylvamo Corp	SLVM US	\$ 2.73B	10-May-24	Pre-mkt	1.03	2.51
DigitalOcean Hold	DOCN US	\$ 2.96B	10-May-24	Pre-mkt	0.38	0.28
Enbridge Inc	ENB US	\$ 79.41B	10-May-24	Pre-mkt	0.59	0.63

ECONOMIC CALENDAR

(10-05-24) JP - BoP Current Account Balance
(10-05-24) UK - GDP QoQ / YoY
(10-05-24) UK - Industrial Production MoM
(10-05-24) CA - Net Change In Employment / Unemployment Rate
(10-05-24) US - U. of Mich. Sentiment
(14-05-24) JP - PPI YoY
(14-05-24) DE - CPI YoY / CPI MoM

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