

Daily Market Brief

July 10th 2024



FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

EUR/USD

EUR/USD continues to settle closer to 1.0800 after a misfire in market expectations of Fed Chairman Jerome Powell's testimony before US Congress on Tuesday. Despite a head nod to improving inflation figures, the Fed is still leaning firmly in a cautionary stance, pulling the rug from beneath markets that were coiled in anticipation of a tonal shift from Fed policymakers. US inflation data to be the key print later in the week.

GBP/USD

GBP/USD trading around 1.2780 during the Asian session on Wednesday. The decline of the GBP/USD pair can be attributed to the strengthening USD, which has gained momentum following Federal Reserve Chairman Jerome Powell's testimony before the US Congress on Tuesday. Powell acknowledged improving inflation data but reiterated the Fed's cautious stance. BoE policymaker Jonathan Haskel stressed maintaining steady interest rates until there is greater certainty that inflationary pressures have subsided.

USD/JPY

The USD/JPY advanced for the second straight day and climbed above the 161.00 figure on Tuesday as Fed Chair Jerome Powell remained cautious on rate cuts despite acknowledging that the US central bank's dual mandate risks are more balanced.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.0817	1.0821	1.0811	0.04	0.29	-2.01
GBP-USD	1.2790	1.2796	1.2784	0.03	0.38	0.46
USD-JPY	161.51	161.59	161.26	0.11	0.11	-12.67
USD-CHF	0.8972	0.8982	0.8971	-0.07	0.48	-6.22
Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	2369.24	2370.42	2363.23	0.22	0.55	14.85
Silver	30.74	30.98	30.72	-0.20	0.79	29.19
Crude Oil	81.11	81.81	81.07	-0.37	-2.05	13.14
Bitcoin	59050.45	59450.69	57362.76	1.94	4.78	38.92
Etherium	3109.61	3129.71	3024.23	1.22	4.53	36.25
Period	1 M		3 M		12 M	
EURIBOR	3.63		3.70		3.60	
SOFR	5.33		5.30		4.96	
US Fed Fund Rate (Indicator)			5.31			
Notes/Bonds	2 Y		10 Y		30 Y	
US	4.63		4.30		4.49	
BTP - BUND	0.52		1.36		1.76	
GILTS	4.13		4.16		4.66	

INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

The S&P 500 climbed to a fresh record Tuesday after Federal Reserve Chair Jerome Powell warned about the dangers of keeping interest rates high for too long. Powell said keeping interest rates elevated for too long could risk further economic growth, seemingly hinting that the central bank is considering taking a less restrictive stance.

EUROPE

European stocks closed lower on Tuesday as investors in the region weighed up political uncertainty in France after Sunday's election result. The U.K.'s FTSE 100 slipped into the red in afternoon deals, after bucking the wider negative trend through the morning.

ASIA

Asia-Pacific markets rose on Tuesday, after the S&P 500 and the Nasdaq Composite closed at record highs overnight, with Japan's Nikkei and Topix hitting fresh highs. Chinese electric vehicle giant BYD is set to invest \$1 billion in Turkey to open a plant with an annual capacity of 150,000 vehicles, Turkey's industry and technology minister Mehmet Fatih Kacir said on Monday.

Index	Close	% Daily	% M	YTD	Futures	3D % Change
DJIA	39291.97	-0.13	1.09	4.25	39563.00	-0.22
S&P	5576.98	0.07	4.03	16.92	5631.50	0.11
Nasdaq	18429.29	0.14	7.19	22.77	20699.75	0.19
DJ EuroStoxx50	4903.62	-1.33	-2.25	8.45	4939.00	-1.44
FTSE 100	8139.81	-0.66	-1.08	5.26	8177.50	-0.57
CAC 40	7508.66	-1.56	-4.88	-0.46	7516.50	-1.57
DAX	18236.19	-1.28	-1.40	8.86	18393.00	-1.32
IBEX 35	10898.80	-1.12	-4.04	7.89	10897.40	-1.35
FTSE MIB	33864.47	-0.53	-1.96	11.57	34042.00	-0.55
Nikkei	41580.17	0.48	7.02	24.85	41850.00	2.33
Hang Seng	17523.23	-0.03	-4.62	2.76	17526.00	-0.21
DFM General	4078.29	-0.09	2.64	0.46	N/A	N/A
MSCI Tadawoul	11779.83	0.53	-0.62	-1.57	N/A	N/A
Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	69.95	70.00	69.50	3.63	0.58	-21.49
Solidere B	68.20	70.00	66.75	-1.87	-1.16	-24.18

MUST READ

(Source: Bloomberg/ Forexlive)

US corporate bankruptcies in June reach highest monthly level since early 2020

June marked a historic surge in US corporate bankruptcy filings, with the highest number recorded in a single month since at least the start of 2020 and surpassing half-year figures seen in over a decade. S&P Global Market Intelligence recorded 75 new corporate bankruptcy filings in June. The pace accelerated from the first months of 2024 and is rivaled by only the busiest months in 2020, when the shock from COVID-19 pushed a relatively higher number of companies into bankruptcy. The 346 total filings so far in 2024 is also higher than any comparable figure in the prior 13 years. High interest rates, supply chain issues and slowing consumer spending continue to weigh on struggling companies. A total of 17 billion-dollar bankruptcy cases have begun in 2024 so far. The consumer discretionary sector continued to lead others in 2024, with 55 total bankruptcy filings. The sector recorded 16 new filings during June. Healthcare and industrials each recorded the second-highest bankruptcy totals in 2024, with 40 filings each. A total of seven healthcare companies sought bankruptcy protection during June, while nine industrials companies entered bankruptcy proceedings.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
Manchester Unite	MANU US	\$ 2.6B	10-Jul-24	Pre-mkt	-0.17	-0.07
Pricesmart Inc	PSMT US	\$ 2.40B	10-Jul-24	Aft-mkt	1.01	0.96
AZZ Inc	AZZ US	\$ 2.32B	10-Jul-24	Aft-mkt	1.33	1.14
WD-40 Co	WDFC US	\$ 2.99B	10-Jul-24	Aft-mkt	1.39	1.38
Delta Airlines	DAL US	\$ 30.26B	11-Jul-24	Pre-mkt	2.38	2.68

ECONOMIC CALENDAR

(10-07-24) US - MBA Mortgage Applications
(11-07-24) DE - CPI YoY / MoM
(11-07-24) UK - Industrial Production YoY / MoM
(11-07-24) US - CPI MoM / Core CPI MoM / CPI YoY
(11-07-24) US - Initial Jobless Claims
(12-07-24) US - PPI Final Demand YoY
(12-07-24) US - U. of Mich. Sentiment

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