

FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Forexlive)

EURUSD

EUR/USD retreats from an intraday high of 1.0925 but stays sluggish during early Friday in Europe as traders lick their wounds on the way to posting the biggest weekly loss in three months. That said, the US Dollar's latest rebound and a lack of confirmatory hawkish signals from the European Central Bank (ECB), as well as fears of the US debt ceiling, keep the Euro bears hopeful at the lowest levels in a month.

GBPUSD

GBP/USD stays defensive near 1.2520 even as it renews intraday high ahead of the all-important UK Gross Domestic Product (GDP) data during early Friday. Not only the pre-data positioning but the market's downbeat expectations and fears of a positive surprise also allow the Pound Sterling to pare recent losses, especially amid the US Dollar inaction ahead of the US inflation clues.

USDJPY

USD/JPY trends water around 134.00 during early Friday as it struggles to defend the previous day's rebound from the lowest levels in a week. In doing so, the Yen pair portrays the market's inaction amid a light calendar and mixed sentiment ahead of the US inflation clues.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.0927	1.0927	1.0912	0.10	-0.83	2.07
GBP-USD	1.2524	1.2527	1.2507	0.10	-0.89	3.65
USD-JPY	134.60	134.69	134.40	0.05	0.15	-2.59
USD-CHF	0.8924	0.8947	0.8923	-0.20	-0.17	3.60
Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	2012.06	2017.56	2008.58	-0.15	-0.23	10.31
Silver	24.05	24.20	23.95	-0.55	-6.29	0.40
Crude Oil	70.53	71.50	70.27	-0.48	-1.14	-12.06
Bitcoin	26620.50	27089.42	26532.21	-1.44	-8.06	60.95
Etherium	1765.51	1802.05	1756.25	-1.72	-8.04	47.20
Period	1 M	3 M	12 M			
USD LIBOR *	5.11	5.34	5.35			
EURIBOR	3.15	3.30	3.81			
* USD LIBOR rates will be discontinued after June 30, 2023 and will be replaced by SOFR						
Notes/Bonds	2 Y	10 Y	30 Y			
US	3.88	3.37	3.72			
BTP - BUND	0.71	1.89	2.09			
GILTS	3.73	3.71	4.14			

INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

The Dow and the S&P 500 ended lower on Thursday, dragged down by Walt Disney Co as it lost subscribers, while PacWest led declines in regional banks after posting a drop in deposits. Energy shares fall with oil prices.

EUROPE

Europe's benchmark STOXX 600 was unchanged on Thursday as a drag by Germany's Bayer and energy stocks offset an earlier rise on hopes of a pause in the Federal Reserve's interest rate hike campaign amid supportive U.S. economic data.

ASIA

China stocks closed lower on Thursday, as slow consumer inflation and deepening factory gate deflation data suggested an uneven recovery and stoked deflation worries.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	33309.51	-0.66	-1.00	0.49	33408.00	0.10
S&P	4130.62	-0.17	0.95	7.58	4152.25	0.20
Nasdaq	12328.51	0.18	3.35	17.79	13485.00	0.28
DJ EuroStoxx50	4309.75	0.07	-0.56	13.61	4311.00	0.35
FTSE 100	7730.58	-0.14	-1.20	3.74	7758.50	0.36
CAC 40	7381.78	0.28	-0.20	14.03	7376.50	N/A
DAX	15834.91	-0.39	0.84	13.73	15940.00	0.25
IBEX 35	9182.80	0.16	-1.03	11.59	9192.10	N/A
FTSE MIB	27098.89	-0.61	-1.92	14.31	26884.00	N/A
Nikkei	29126.72	0.89	4.64	12.62	29380.00	0.93
Hang Seng	19743.79	-0.27	-3.05	-0.46	19654.00	-0.28
DFM General	3568.83	-0.12	2.07	6.98	N/A	N/A
MSCI Tadawoul	11392.78	0.88	4.18	8.73	N/A	N/A
Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	80.50	82.05	78.20	0.25	-7.36	32.18
Solidere B	80.45	81.95	78.55	-1.47	-7.53	33.31

MUST READ

(Source: Bloomberg/ Forexlive)

UAE's Royal Group Shorts US Stocks on Global Recession Fears

An investment firm controlled by a top Abu Dhabi royal has built a short position worth billions of dollars in US stocks, people familiar with the matter said, in a bet that growing fears over a recession will pressure markets. Royal Group turned more negative on equities at the start of the year and has shifted more of its portfolio into short-term US Treasuries, the people said, asking not to be identified because the matter is private. The firm, chaired by UAE National Security Adviser Sheikh Tahnoon bin Zayed, is also investing more in commodities and crypto, they said. The conglomerate, which helps to manage one of the world's biggest family fortunes through a vast network of subsidiaries, planned to plow as much as \$10 billion into US and European stocks and other assets hammered by fears of a global slowdown, Bloomberg reported in October. The company took profits on some of its investments in US markets late last year and has been revising its buy list of stocks there. The group will look to boost its exposure to the US once valuations improve and the Federal Reserve signals it's gearing up to cut interest rate cuts, they said. Sheikh Tahnoon's firm has until recently prioritized investments across the developing world. With funds drying up in many markets around the world, Royal Group is emerging as an influential player in global finance and has become a key vehicle for the oil-rich Gulf state's diversification strategy. The group is hoping to take advantage of skittish market sentiment following the collapse of four US lenders, and as expectations of a worldwide economic slowdown grow. Stocks have traded sideways since the beginning of April as better-than-feared corporate earnings offset concerns around a possible recession and the health of regional banks. Still, the S&P 500 has gained about 7% this year.

MAIN WEEKLY EARNINGS

(Source: Nasdaq)

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
Home Depot, Inc	HD US	\$291.5 B	16-May-23	Pre-mkt	3.83	4.09
Sea Limited	SE US	\$47.7 B	16-May-23	Pre-mkt	0.38	-1.04
Cisco Systems, Inc	CSCO US	\$189.8 B	17-May-23	After-mkt	0.87	0.78
Target Corporatio	TGT US	\$72.4 B	17-May-23	Pre-mkt	1.77	2.19
Synopsys, Inc	SNPS US	\$55.8 B	17-May-23	After-mkt	1.66	1.89

ECONOMIC CALENDER

(Source: Forexlive)

- (12-05-23) GB- Gross Domestic Product Q1; Manufacturing, Industrial Production
- (15-05-23) GB- BoE Monetary Policy Report Hearings report
- (16-05-23) GB- Claimant Count Change, Rate APR; ILO Unemployment Rate 3M MAR
- (16-05-23) GB- Average Earnings Including, Excluding Bonus (3Mo/Yr) MAR
- (16-05-23) EA- Gross Domestic Product YoY, QoQ Q1 preliminar
- (16-05-23) DE- ZEW Survey - Current Situation, Economic Sentiment MAY
- (16-05-23) US- Retail Sales MoM APR; Retail Sales Control Group APR

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