

# Daily Market Brief

August 12th, 2024



## FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

### EUR/USD

Uncertainty related to central banks' potential decisions on monetary policy also affected the market's sentiment. The US Dollar plummeted on Monday, resulting in EUR/USD reaching 1.1008 as market participants started betting the Fed could trim interest rates before the September meeting. The United States will release the July Consumer Price Index next week.

### GBP/USD

The GBP/USD pair kicks off the new week on a weaker note and for now, seems to have stalled a two-day-old recovery from the 1.2665 area. Spot prices currently trade around the mid-1.2700s as traders look forward to this week's important macro releases from the UK and the US. Geopolitical risks turn out to be a key factor benefitting the Greenback.

### USD/JPY

The USD/JPY pair attracts some dip-buyers on the first day of a new week, albeit struggles to find acceptance above the 147.00 mark and capitalize on the move up. Persistent geopolitical risks lend support to the safe-haven JPY and cap gains for the major. The divergent BoJ-Fed policy expectations also contribute to keeping bulls on the sidelines.

| Fx rates                     | Last     | High     | Low      | % Daily | % Weekly | % YTD |
|------------------------------|----------|----------|----------|---------|----------|-------|
| EUR-USD                      | 1.0920   | 1.0923   | 1.0910   | 0.03    | -0.29    | -1.08 |
| GBP-USD                      | 1.2772   | 1.2773   | 1.2747   | 0.09    | -0.03    | 0.32  |
| USD-JPY                      | 147.18   | 147.23   | 146.47   | 0.39    | -2.04    | -4.17 |
| USD-CHF                      | 0.8673   | 0.8676   | 0.8642   | 0.25    | -1.74    | -2.99 |
| Commodities                  | Last     | High     | Low      | % Daily | % Weekly | % YTD |
| Gold                         | 2435.09  | 2435.99  | 2423.90  | 0.16    | 1.01     | 18.04 |
| Silver                       | 27.61    | 27.65    | 27.23    | 0.53    | 1.25     | 16.01 |
| Crude Oil                    | 77.21    | 77.27    | 76.70    | 0.48    | 5.85     | 8.23  |
| Bitcoin                      | 58461.03 | 59341.93 | 58168.74 | -0.10   | 6.00     | 37.53 |
| Etherium                     | 2547.16  | 2595.88  | 2511.05  | -0.42   | 8.41     | 11.60 |
| Period                       | 1 M      | 3 M      | 12 M     |         |          |       |
| EURIBOR                      | 3.62     | 3.56     | 3.18     |         |          |       |
| SOFR                         | 5.33     | 5.11     | 4.36     |         |          |       |
| US Fed Fund Rate (Indicator) |          |          | 5.31     |         |          |       |
| Notes/Bonds                  | 2 Y      | 10 Y     | 30 Y     |         |          |       |
| US                           | 4.07     | 3.94     | 4.22     |         |          |       |
| BTP - BUND                   | 0.51     | 1.42     | 1.83     |         |          |       |
| GILTS                        | 3.65     | 3.95     | 4.52     |         |          |       |

## INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

### UNITED STATES OF AMERICA

Stocks ticked up Friday as the stock market built on its incredible comeback from Monday's violent rout. The broad market index ended the week just shy of completely reversing its weekly losses. The 10-year Treasury yield fell below 3.70% at one point, only to retake 4% on Thursday. It traded around 3.94% on Friday.

### EUROPE

European stocks closed higher on Friday as global equity markets looked to rebuild from the recent sell-off. The pan-European Stoxx 600 gained 0.57%, taking the index to 499.18 above its level a week ago, before a sharp downturn on Monday. Technology stocks were 0.22% lower, healthcare rose 1.77%.

### ASIA

Asia-Pacific markets closed higher on Friday, tracking gains on Wall Street after new labor market data boosted investor confidence in the U.S. economy and eased recession concerns following a sharp market sell-off earlier in the week.

| Index          | Close      | % Daily | % M    | YTD     | Futures  | 1W % Change |
|----------------|------------|---------|--------|---------|----------|-------------|
| DJIA           | 39497.54   | 0.13    | -1.26  | 4.80    | 39606.00 | 1.95        |
| S&P            | 5344.16    | 0.47    | -4.83  | 12.04   | 5368.75  | 2.90        |
| Nasdaq         | 16745.30   | 0.51    | -8.99  | 11.55   | 18626.50 | 3.40        |
| DJ EuroStoxx50 | 4675.28    | 0.14    | -7.29  | 3.40    | 4719.00  | 2.88        |
| FTSE 100       | 8168.10    | 0.28    | -1.03  | 5.62    | 8213.50  | 2.73        |
| CAC 40         | 7269.71    | 0.31    | -5.89  | -3.63   | 7291.50  | 1.85        |
| DAX            | 17722.88   | 0.24    | -5.47  | 5.80    | 17879.00 | 2.75        |
| IBEX 35        | 10638.50   | 0.76    | -5.44  | 5.31    | 10640.70 | 1.95        |
| FTSE MIB       | 31782.23   | 0.13    | -8.09  | 4.71    | 31921.00 | 1.52        |
| Nikkei         | 35025.00   | 0.56    | -14.97 | 4.66    | 35300.00 | 12.49       |
| Hang Seng      | 17090.23   | -0.05   | -6.62  | 0.20    | N/A      | N/A         |
| DFM General    | 4195.15    | -0.02   | 2.22   | 3.33    | N/A      | N/A         |
| MSCI Tadawoul  | 11771.69   | 0.90    | -0.18  | -1.64   | N/A      | N/A         |
| Leb. Mrkts     | Closing Px | High    | Low    | % Daily | % Weekly | YTD         |
| Solidere A     | 75.05      | 75.50   | 74.75  | -0.60   | -6.94    | -15.77      |
| Solidere B     | 76.70      | 78.00   | 75.45  | -0.39   | -4.72    | -14.73      |

## MUST READ

(Source: Bloomberg/ Forexlive)

### Oil extends gains for fifth session supported by Mideast tensions

Oil prices rose for a fifth consecutive session on Monday, holding on to last week's more than 3% gains, as U.S. recession fears eased while geopolitical tensions in the Middle East supported prices. Brent crude futures climbed 22 cents, or 0.3%, to \$79.88 a barrel by 0458 GMT, while U.S. West Texas Intermediate crude futures rose 36 cents, or 0.5%, to \$77.20. "Support is coming from last week's better-than-expected U.S. data which eased fears of a U.S. recession," IG markets analyst Tony Sycamore said. "There is also a great deal of anxiety about when Iran might look to avenge Israel's assassination of key Hamas and Hezbollah leaders. Feels like a matter of when - not if." Iran and Hezbollah have vowed to retaliate for the assassinations of Hamas leader Ismail Haniyeh and Hezbollah military commander Fuad Shukr. "The market is still waiting for Iran's response," ING's head of commodities research Warren Patterson said. In addition, the Israeli incursion into Gaza intensified on Saturday with an airstrike on a school compound that killed at least 90 people, according to the Gaza Civil Emergency Service, though Israel said the death toll was inflated. Hamas cast doubt on its participation in new ceasefire talks on Sunday. Brent ended last week up more than 3.5% on the week, while WTI gained more than 4%, on supportive economic data and increased hopes of a U.S. interest rate cut. Three U.S. central bankers said last week that inflation appeared to be cooling enough for the Federal Reserve to cut interest rates as soon as next month. China's consumer prices rose faster than expected in July, and U.S. weekly jobless claims fell more than expected last week.

## MAIN WEEKLY EARNINGS

| Company            | Ticker  | Market Cap | Date      | Time    | Estimate | Year Ago |
|--------------------|---------|------------|-----------|---------|----------|----------|
| Rumble Inc         | RUM US  | \$ 1.65B   | 12-Aug-24 | Aft-mkt | -0.15    | -0.15    |
| Monday.com LTD     | MNDY US | \$ 11.04B  | 12-Aug-24 | Pre-mkt | 0.56     | 0.41     |
| Home Depot Inc     | HD US   | \$ 345.72B | 13-Aug-24 | Pre-mkt | 4.56     | 4.65     |
| Cisco Systems Inc  | CSCO US | \$ 183.19B | 14-Aug-24 | Aft-mkt | 0.85     | 1.14     |
| Ali Baba Group - S | BABA US | \$ 193.43B | 15-Aug-24 | Pre-mkt | 15.64    | 17.37    |

## ECONOMIC CALENDAR

(12-08-24) US - NY Fed 1-Yr Inflation Expectations  
(13-08-24) JP - PPI MoM / PPI YoY  
(13-08-24) UK - Jobless Claims Change  
(14-08-24) UK - CPI MoM / YoY  
(14-08-24) FR - CPI MoM / YoY  
(13-08-24) US - July PPI Inflation data  
(14-08-24) US - July CPI Inflation data

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