

Daily Market Brief

October 12 2023



FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

EURUSD

The EUR/USD tested levels above 1.0630 but pulled back. The pair posted modest gains as it continues to rebound from monthly lows. The pair awaits more US inflation data while trading at a crucial area, with the US Dollar still weak as US yields continue to pull back and market sentiment remains positive.

GBPUSD

GBP/USD continues the winning streak that began last week, trading higher around 1.2310 during the Asian session on Thursday. Despite robust economic data from the United States (US), the pair is finding upward support on divergence in perspectives revealed in the Federal Open Market Committee (FOMC) minutes.

USDJPY

The USD/JPY pair fluctuates in a narrow trading band during the Asian session on Thursday and is currently placed just above the 149.00 mark, well within the striking distance of the weekly high touched the previous day.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.0634	1.0637	1.0613	0.13	0.80	-0.66
GBP-USD	1.2319	1.2327	1.2299	0.05	1.04	1.95
USD-JPY	149.15	149.27	148.98	-0.01	-0.43	-12.09
USD-CHF	0.8998	0.9025	0.8996	-0.24	1.39	2.75
Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	1879.12	1880.15	1873.98	0.25	3.23	3.02
Silver	22.15	22.17	22.01	0.49	5.59	-7.55
Crude Oil	83.01	83.35	82.78	-0.57	0.85	6.68
Bitcoin	26855.50	26936.28	26675.70	0.52	-3.87	62.37
Etherium	1563.51	1569.26	1556.19	-0.02	-4.32	30.36
Period	1 M	3 M	12 M			
USD LIBOR *	5.46	5.69	6.04			
EURIBOR	3.86	3.99	4.16			
SOFR	5.33	5.39	5.36			
Notes/Bonds	2 Y	10 Y	30 Y			
US	4.99	4.56	4.70			
BTP - BUND	0.81	1.95	2.25			
GILTS	4.80	4.33	4.77			

INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

Stocks continued to waver in late afternoon trading Wednesday after the Federal Reserve released minutes from its September meeting. The Fed's minutes indicated a majority of officials feel one more interest rate increase would be appropriate in the battle against stubbornly high inflation. Since the meeting took place, Treasury yields have begun to fall and multiple Fed officials have come out in recent days with more dovish stances.

EUROPE

The major European markets ended mixed on Wednesday, a day after recording one of their best sessions in nearly a year, as the mood turned cautious ahead of the release of the Federal Reserve's minutes later today, and U.S. inflation data, due on Thursday. Investors also reacted to some dovish comments, and some slightly less hawkish comments from Fed officials.

ASIA

Asian shares mostly rose Thursday as investors awaited the release of U.S. consumer price data and kept a cautious watch on the war between Israel and the Palestinian militant group Hamas.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	33804.87	0.19	-2.43	1.98	34080.00	0.27
S&P	4376.95	0.43	-1.90	14.00	4425.25	0.37
Nasdaq	13659.68	0.71	-0.83	30.51	15436.75	0.41
DJ EuroStoxx50	4200.80	-0.11	-0.98	10.73	4239.00	0.33
FTSE 100	7620.03	-0.11	1.23	2.26	7690.50	0.40
CAC 40	7131.21	-0.44	-1.68	10.16	7177.50	N/A
DAX	15460.01	0.24	-1.63	11.03	15625.00	0.39
IBEX 35	9360.40	0.09	-1.00	13.75	9369.50	N/A
FTSE MIB	28419.06	0.36	-0.58	19.88	28423.00	N/A
Nikkei	31936.51	1.65	-0.95	24.41	32490.00	1.76
Hang Seng	17893.10	1.96	1.21	-7.77	18285.00	1.96
DFM General	4082.24	0.77	0.52	22.37	N/A	N/A
MSCI Tadawoul	10572.70	-0.63	-5.23	0.90	N/A	N/A
Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	76.85	77.00	75.80	-0.19	-0.19	26.19
Solidere B	76.15	77.00	75.10	-1.36	-1.30	26.18

MUST READ

(Source: Bloomberg/ Forexlive)

On credit cards losses

Credit card companies are racking up losses at the fastest pace in almost 30 years, outside of the Great Financial Crisis, according to Goldman Sachs. Credit card losses bottomed in September 2021, and while initial increases were likely reversals from stimulus, they have been rapidly rising since the first quarter of 2022. Since that time, it's an increasing rate of losses only seen in recent history during the recession of 2008. It is far from over, the firm predicts. Losses currently stand at 3.63%, up 1.5 percentage points from the bottom, and Goldman sees them rising another 1.3 percentage points to 4.93%. This comes at a time when Americans owe more than \$1 trillion on credit cards, a record high, according to the Federal Reserve Bank of New York. "We think delinquencies could continue to underperform seasonality through the middle of next year and don't see losses peaking until late 2024 / early 2025 for most issuers," analyst Ryan Nash wrote.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
Delta Air Lines	DAL US	23.81 B	12-Oct-23	Pre-mkt	1.94	1.51
Blackrock Inc	BLK US	95.65 B	13-Oct-23	Pre-mkt	8.50	9.55
Citigroup Inc	C US	78.13 B	13-Oct-23	Pre-mkt	1.23	1.50
Wells Fargo & Co.	WFC US	142.93 B	13-Oct-23	Pre-mkt	1.24	1.30
JPMorgan Chase & Co.	JPM US	416.59 B	13-Oct-23	Pre-mkt	3.84	3.12

ECONOMIC CALENDAR

(12-10-23) US - CPI Ex Food and Energy YoY
(12-10-23) US - CPI YoY
(12-10-23) US - Initial Jobless Claims
(12-10-23) UK - Industrial Production MoM
(12-10-23) US - Continuing Claims
(13-10-23) FR - CPI YoY
(13-10-23) US - Import Price Index MoM

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