

Daily Market Brief

December 12th 2023



FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

EURUSD

The EUR/USD pair oscillates in a narrow trading range above the mid-1.0700s during the early Asian session on Tuesday. Traders prefer to wait on the sidelines ahead of key events in the US and Eurozone. The (FOMC) will announce the interest rate decision on Wednesday and the ECB is broadly expected to keep its Deposit Facility Rate at 4.0% on Thursday. These events could trigger volatility in the market.

GBPUSD

The GBP/USD recovered some ground against the US Dollar (USD) amidst a session characterized by mixed market sentiment, ahead of crucial monetary policy decisions of the US Federal Reserve (Fed) and the Bank of England (BoE). The GBP/USD trades at 1.2558, registering minuscule gains of 0.10%.

USDJPY

The USD/JPY (JPY) extends its steady intraday appreciating move against the (USD) and drags the pair to a fresh daily low. Escalating tensions between the US and Iran-backed Houthi rebels in Yemen lend support to the safe-haven JPY, which seemed unaffected by data showing that producer prices in Japan grew at the weakest pace since February 2021. Any meaningful appreciating move for the JPY, however, seems limited in the wake of diminishing odds for an imminent shift in the Bank of Japan's (BoJ) policy stance.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.0770	1.0772	1.0760	0.05	-0.25	0.61
GBP-USD	1.2578	1.2584	1.2552	0.18	-0.14	4.10
USD-JPY	145.41	146.18	145.33	-0.52	1.20	-9.83
USD-CHF	0.8768	0.8791	0.8765	-0.18	-0.21	5.44
Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	1988.04	1989.56	1981.87	0.31	-1.55	8.99
Silver	23.00	23.02	22.80	0.77	-4.82	-4.01
Crude Oil	71.93	71.94	71.27	0.86	-0.54	-6.33
Bitcoin	41408.75	41916.53	41122.45	0.55	-4.57	150.36
Etherium	2212.76	2243.20	2212.54	-0.18	-6.64	84.49
Period	1 M		3 M		12 M	
EURIBOR	3.853		3.95		3.725	
SOFR	5.35978		5.37917		5.09816	
Notes/Bonds	2 Y		10 Y		30 Y	
US	4.69		4.20		4.30	
BTP - BUND	0.63		1.79		2.16	
GILTS	4.61		4.08		4.55	

INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

U.S. stocks registered modest gains on Monday but managed to close at new highs for the year, ahead of major market catalysts this week that include inflation readings and the Fed's policy announcement, which will strongly influence investor expectations on the path of interest rates.

EUROPE

European shares rose at the start of an event-heavy week as investors buckled up for a key U.S. inflation print and interest rate decisions from major global central banks, while weakness in metal prices knocked down miners.

ASIA

Most Asian stocks rose slightly on Tuesday, with Japanese markets trading positive on a dovish outlook from the Bank of Japan, while caution over China and a slew of upcoming indicators kept traders on edge.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	36404.93	0.43	6.19	9.83	36437.00	0.01
S&P	4622.44	0.39	4.69	20.39	4626.25	0.01
Nasdaq	14432.49	0.20	4.60	37.89	16260.50	0.14
DJ EuroStoxx50	4540.19	0.37	8.17	19.68	4553.00	0.11
FTSE 100	7544.89	-0.13	2.50	1.25	7566.00	0.11
CAC 40	7551.53	0.33	7.19	16.65	7557.00	N/A
DAX	16794.43	0.21	10.24	20.62	16852.00	0.13
IBEX 35	10198.00	-0.25	8.82	23.93	10205.20	N/A
FTSE MIB	30426.58	0.07	6.74	28.34	30436.00	N/A
Nikkei	32791.80	0.16	0.85	25.86	32710.00	0.06
Hang Seng	16201.49	1.22	-4.67	-17.10	16435.00	1.36
DFM General	3934.52	0.13	-0.75	18.09	N/A	N/A
MSCI Tadawoul	11380.95	0.75	5.05	8.61	N/A	N/A
Leb. Mkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	69.90	70.00	69.50	-0.14	2.79	14.78
Solidere B	70.35	73.90	66.45	3.68	8.15	16.57

MUST READ

(Source: Bloomberg/ Forexlive)

TikTok becomes 1st non-game app to reach \$10B in consumer spending

TikTok's short-form video app is hitting a new milestone. The app, which reached 1B monthly active users in 2021, has now become the first non-game mobile app to generate \$10B in consumer spending across the Apple App Store and Google Play combined. The only other apps to have achieved this are all games, including Candy Crush Saga from King/Activision Blizzard, the top earner at over \$12 billion, plus Tencent's Honor of Kings, XFLAG/Mix's Monster Strike, and Supercell's Clash of Clans. The report notes that TikTok entered 2023 with more than \$6.2B in consumer spending already and then added another \$3.8B throughout the course of the year, or 61% growth from the year's start. The figure is also 15% higher than 2022's total of \$3.3 billion. For reference, its report includes only TikTok's consumer spending across iOS and Google Play, not the third-party Android app stores in China. That means TikTok's total consumer spending could be even higher. The spending comes from TikTok's in-app purchases of "coins" - a virtual currency that users can spend on gifts for creators on the platform. These gifts reward creators for their content and can be cashed out as fiat currency, with TikTok retaining 50% of the payout. The app's most popular in-app purchase is a bundle of 1321 coins for \$19.99, which makes up a quarter of its revenue. TikTok also generates revenue outside of in-app purchases, like via advertising and e-commerce with TikTok shop, but these weren't counted in data.ai's analysis.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
Adobe Inc.	ADBE US	\$271.2 B	13-Dec-23	After-mkt	3.32	2.78
Nordson Corpora	NDSN US	\$13.7 B	13-Dec-23	After-mkt	2.40	2.44
ABM Industries In	ABM US	\$2.8 B	13-Dec-23	Pre-mkt	0.93	0.89
Photronics Inc.	PLAB US	\$1.4 B	13-Dec-23	Pre-mkt	0.53	0.60
Costco Wholesale	COST US	\$270.4 B	14-Dec-23	After-mkt	3.44	3.10

ECONOMIC CALENDAR

(12-12-23) GB- Employment Change OCT; ILO Unemployment Rate 3M OCT
(12-12-23) GB- Claimant Count Change NOV
(12-12-23) DE- ZEW Survey - Economic Sentiment , Current Situation
(12-12-23) EA- ZEW Survey - Economic Sentiment
(12-12-23) US- Consumer Price Index NOV
(12-12-23) US- Consumer Price Index ex Food & Energy NOV
(13-12-23) US- Fed Interest Rate Decision; Fed Monetary Policy Statement

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