

Daily Market Brief

July 13th 2023



FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Forexlive)

EURUSD

The EUR/USD pair is consistently moving north with sheer momentum as soft United States (CPI) data drummed that only one interest rate hike option has left in the toolkit of the Federal Reserve (Fed) by year-end. The major currency pair has climbed to near 1.1150 as the US Dollar Index (DXY) is facing winter and the market mood is quite cheerful.

GBPUSD

The GBP/USD pair trades with a positive bias for the sixth successive day on Thursday and touches a fresh 15-month peak during the Asian session, with bulls now looking to build on the momentum beyond the 1.3000 psychological mark. The US Dollar (USD) languishes near its lowest level since April 2022 amid speculations that the Federal Reserve (Fed) will not hike interest rates beyond July.

USDJPY

The USD/JPY pair stages a modest bounce from the 138.00 neighbourhood, or a nearly two-month low touched during the Asian session on Thursday and hits a fresh daily high in the last hour.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.1143	1.1149	1.1129	0.13	2.33	4.09
GBP-USD	1.3008	1.3019	1.2982	0.15	2.10	7.66
USD-JPY	138.63	138.67	138.08	0.09	3.92	-5.42
USD-CHF	0.8658	0.8681	0.8652	-0.18	3.40	6.78
Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	1957.99	1962.25	1955.40	0.03	2.46	7.34
Silver	24.21	24.25	24.10	0.38	6.58	1.09
Crude Oil	75.97	76.14	75.71	0.29	5.81	-4.27
Bitcoin	30288.55	30432.68	30262.00	-0.21	0.42	83.13
Etherium	1865.59	1876.08	1863.35	-0.39	0.91	55.55
Period	1 M	3 M	12 M			
USD LIBOR *	5.31	5.56	6.04			
EURIBOR	3.46	3.67	4.18			
* 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	4.71	3.86	3.97			
BTP - BUND	0.63	1.68	2.08			
GILTS	5.23	4.51	4.61			

INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

U.S. stocks ended solidly higher on Wednesday, led by a gain of more than 1% in the Nasdaq after a report showed inflation subsided further with consumer prices registering their smallest annual increase in more than two years. The data underscored expectations the Fed may let interest rates stand after one more 25 bps hike expected at its July policy meeting.

EUROPE

European shares jumped on Wednesday as further evidence of easing consumer inflation in the United States boosted hopes that the Federal Reserve could end its market-punishing interest rate hikes soon, with technology and miners leading gains.

ASIA

China and Hong Kong stocks jumped on Thursday, led by tech giants, after authorities sent another strong signal that a years-long crackdown on its tech industry is over.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	34347.43	0.25	0.40	3.62	34594.00	0.13
S&P	4472.16	0.74	2.36	16.48	4518.25	0.23
Nasdaq	13918.96	1.15	2.55	32.99	15503.00	0.38
DJ EuroStoxx50	4360.46	1.72	0.30	14.94	4393.00	0.14
FTSE 100	7416.11	1.83	-2.35	-0.48	7421.50	0.07
CAC 40	7333.01	1.57	0.58	13.27	7340.50	N/A
DAX	16023.00	1.47	-1.28	15.08	16150.00	0.12
IBEX 35	9453.70	1.31	1.29	14.88	9467.40	N/A
FTSE MIB	28552.18	1.75	3.58	20.44	28662.00	N/A
Nikkei	31943.93	1.48	-1.82	24.23	32400.00	1.44
Hang Seng	18860.95	2.57	-0.90	-2.20	19386.00	2.80
DFM General	3987.07	0.04	7.39	19.51	N/A	N/A
MSCI Tadawoul	11727.19	0.54	2.75	11.92	N/A	N/A
Leb. Mkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	73.05	77.00	70.05	-6.94	-6.35	19.95
Solidere B	71.85	75.60	71.00	-5.52	-6.69	19.06

MUST READ

(Source: Bloomberg/ Forexlive)

China IPO applications fall by third in first half of 2023

China's IPO applications slumped by a third in the first half of 2023, as earnings volatility, a slowing economy and tighter regulatory scrutiny deterred potential candidates. Chinese exchanges, which vet initial public offering (IPO) plans, accepted around 330 new applications during the period, down from more than 500 a year earlier, exchange data shows. Although Beijing has adopted a registration-based system designed to let the market decide which companies list, bankers have said that the process largely remains at the discretion of authorities, using unwritten rules to decide on the grounds of national security or industrial policies. Terence Ho, Greater China IPO Leader at EY, attributed the sharp fall in applications in January to June partly to some listing hopefuls failing to meet revenue or profit requirements as last year's Chinese economic downturn hit their businesses. In addition, "regulators have imposed stringent rules and penalties on the sponsors, making them more cautious in sponsoring companies' IPOs" Ho said. Although total proceeds raised on China's IPO market shrank from last year, it was still the biggest globally in the first half, dwarfing others including New York and Hong Kong. Shanghai's tech-focused STAR Market was the top venue, where companies raised \$10.6 billion via IPOs in the first six months. Shenzhen startup ChiNext was the second-biggest IPO hub with \$9.3 billion raised, followed by New York, with listings worth \$5.4 billion, Refinitiv data showed.

MAIN WEEKLY EARNINGS

(Source: Nasdaq)

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
Pepsico, Inc	PEP US	\$255.1 B	13-Jul-23	Pre-mkt	1.95	1.86
Cintas Corporatio	CTAS US	\$50.5 B	13-Jul-23	Pre-mkt	3.19	2.81
Fastenal Company	FATS US	\$33.6 B	13-Jul-23	Pre-mkt	0.52	0.50
Delta Air Lines, In	DAL US	\$30.5 B	13-Jul-23	Pre-mkt	2.41	1.44
UnitedHealth Gro	UNH US	\$447.4 B	14-Jul-23	Pre-mkt	6.04	5.57

ECONOMIC CALENDAR

(Source: Forexlive)

(13-07-23) GB- Industrial Production MAY; Manufacturing Production MAY
(13-07-23) GB- Gross Domestic Product MoM MAY
(13-07-23) FR- Consumer Price Index (EU nom) JUN
(13-07-23) EA- European Cmmission releases Economic Growth Forecasts
(13-07-23) EA- Industrial Production MAY; ECB Monetary Policy Meeting Accounts
(13-07-23) US- Producer Price Index ex Food & Energy JUN
(13-07-23) US- Monthly Budget Statement JUN

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