Daily Market Brief

November 13th 2024

BANQUE BEMO

FOREIGN EXCHANGE MARKETS *(Sources: Bloomberg / Reuters)*

EUR/USD

The EUR/USD pair remains under pressure, with the Euro facing its fourth consecutive day of losses, primarily due to the strength of the US Dollar. This is driven by the potential economic impact of US President-elect Donald Trump's fiscal policies, which could stimulate growth but also raise inflation risks, as highlighted by Minneapolis Fed President Neel Kashkari. Traders are awaiting US inflation data and the EU's third-quarter GDP report for further direction, with concerns that Trump's proposed tariffs could negatively affect Europe's economic performance, potentially worsening the Euro's decline.

GBP/USD

The GBP/USD pair extends its losing streak, trading around 1.2740, driven by a stronger US Dollar amid optimism surrounding Trump's fiscal policies, which could boost inflation and prompt a more restrictive Fed stance. The Pound weakened following mixed UK labor market data, with rising unemployment and weaker job growth, while traders look to upcoming US inflation figures and insights from BoE member Mann's speech for direction on future policy.

USD/JPY

The Japanese Yen remains weak against the US Dollar, pressured by political uncertainty in Japan and concerns over Trump's tariffs affecting Japanese exports. While rising US Treasury yields support the Dollar, speculation of potential Japanese intervention limits further declines in the USD/JPY pair ahead of US inflation data.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.0609	1.0629	1.0608	-0.13	-1.12	-3.90
GBP-USD	1.2736	1.2755	1.2731	-0.09	-1.11	0.04
USD-JPY	155.11	155.15	154.51	0.32	-0.31	-9.07
USD-CHF	0.8836	0.8836	0.8814	0.22	-0.79	-4.78
Commodities	**Last**	**High**	**Low**	**% Daily**	**% Weekly**	**% YTD**
Gold	2605.70	2613.33	2597.73	0.28	-2.01	26.31
Silver	30.88	31.04	30.62	0.50	-0.97	29.76
Crude Oil	68.24	68.45	67.96	0.18	-4.81	-2.93
Bitcoin	86803.76	88697.89	86251.17	-1.72	13.42	104.21
Etherium	3143.00	3293.68	3121.11	-4.20	6.78	37.71

Period	1M	3M	6M	12M
SOFR ($)	4.61	4.52	4.41	4.24
ESTR (€)	2.27	2.95	2.63	2.27
SONIA (£)	4.71	4.69	4.59	4.43
SARON (F)	0.90	0.68	0.54	0.37
TONAR (¥)	0.22	0.22	0.16	0.09

	Rates
U.S. Federal Fund Target Rate	4.75
ECB Main Refinancing Operation Announcement Rate	3.4
ECB Deposit Facility Announcement Rate	3.25
ECB Marginal Lending Facility Announcement Rate	3.65
BOE Official Bank Rate	4.75

INTERNATIONAL EQUITY MARKETS *(Sources: Bloomberg / Reuters)*

UNITED STATES OF AMERICA

Stocks retreated on Tuesday as the major averages took a breather from their postelection run. Market participants will next turn their attention to consumer and producer price index readings scheduled for later in the week.

EUROPE

European markets slid on Tuesday as investors assessed what U.S. President-elect Donald Trump's return to the White House could mean for the region's economy. German inflation rose 2.4% in October, according to data published Tuesday by the country's statistics office, confirming a preliminary reading.

ASIA

Asia-Pacific stock markets were trading mostly lower Wednesday, tracking losses on Wall Street as the U.S. post election rally stalled overnight. Asian traders assessed corporate goods data out of Japan, which showed year-on-year producer price growth, or wholesale inflation, in October reached its highest since July last year at 3.4%.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	43910.98	-0.86	2.44	16.51	43939.00	-1.13
S&P	5983.99	-0.29	2.91	25.46	5996.00	-0.59
Nasdaq	19281.40	-0.09	5.12	28.45	21112.75	-0.49
DJ EuroStoxx50	4744.69	-2.25	-5.18	4.94	4725.00	-2.84
FTSE 100	8025.77	-1.22	-2.76	3.78	8045.00	-1.20
CAC 40	7226.98	-2.69	-4.63	-4.19	7230.00	-2.71
DAX	19033.64	-2.13	-1.76	13.62	19067.00	-2.35
IBEX 35	11382.60	-1.85	-2.88	12.68	11388.40	-1.82
FTSE MIB	33607.14	-2.15	-2.04	10.73	33357.00	-2.16
Nikkei	39376.09	-1.66	-2.23	15.71	38680.00	-2.20
Hang Seng	19846.88	-0.76	-7.32	15.53	19713.00	-3.58
DFM General	4701.40	-0.36	5.49	15.38	N/A	N/A
MSCI Tadawoul	12047.67	-0.49	-0.18	0.67	N/A	N/A

Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	95.00	95.50	95.00	-0.84	0.69	6.62
Solidere B	94.00	94.00	94.00	-2.08	-0.37	4.50

MUST READ *(Source: Bloomberg/ Forexlive)*

Europe must prepare for new trade war with US, ECB officials warn

European Central Bank policymakers have warned that protectionist trade policies proposed by U.S. President-elect Donald Trump could harm global economic growth. Trump plans significant tariffs, including a 10% universal tariff on imports and a 60% tariff on Chinese goods, aiming to reduce the U.S. trade deficit. Finnish central bank chief Olli Rehn emphasized that these tariffs could destabilize the global economy, especially amid rising geopolitical tensions. Austrian central bank chief Robert Holzmann added that such policies would likely lead to higher U.S. interest rates and inflation, exerting upward pressure on global prices, including in the eurozone. A stronger dollar, possibly reaching parity with the euro, could also increase import costs, particularly for energy, complicating the ECB's goal of keeping inflation at 2%. Rehn cautioned that Europe must be better prepared than in 2018, when it struggled to respond effectively to rising trade tensions during Trump's first term. He stressed that the ECB must act decisively within its mandate to ensure economic and financial stability in the face of these new challenges, warning that Europe cannot afford to be caught unprepared if a trade war erupts.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
Cisco Systems Inc	CSCO US	$ 234.02B	13-Nov-24	Aft-mkt	0.87	1.11
Nu Holdings	NU US	$ 75.72B	13-Nov-24	Aft-mkt	0.11	0.06
Tetra Tech Inc	TTEK US	$ 12.92B	13-Nov-24	Aft-mkt	0.37	0.36
Walt Disney Com	DIS US	$ 183.15B	14-Nov-24	Pre-mkt	1.10	0.82
Applied Materials	AMAT US	$ 153.84B	14-Nov-24	Aft-mkt	2.19	2.12

ECONOMIC CALENDAR

(13-11-24) JP - PPI YoY / MoM
(13-11-24) US - CPI MoM / Core / YoY
(14-11-24) EA - GDP SA QoQ / YoY
(14-11-24) US - Initial Jobless Claims
(15-11-24) JP - GDP Annualized SA QoQ
(15-11-24) JP - Industrial Production MoM / YoY
(15-11-24) UK - Manufacturing Production MoM / YoY

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