

Daily Market Brief

August 14th 2023



FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Forexlive)

EURUSD

EUR/USD drops to the lowest level in a week surrounding 1.0940 as bears keep control amid the early hours of Monday's Asian session, after a four-week downtrend. That said, the fears of the ECB policy pivot join the firmer US Treasury bond yields to exert downside pressure on the Euro pair. However, a light calendar and cautious mood ahead of this week's top-tier US data, as well as Minutes of the latest (FOMC) monetary policy meeting, put a floor under the prices.

GBPUSD

GBP/USD remains pressured below 1.2700, close to 1.2690 by the press time, as it fails to cheer the UK's heating inflation concerns and upbeat growth numbers amid economic fears and broad US Dollar strength ahead of the top-tier data/events. In doing so, the Cable pair justifies firmer US Treasury bond yields.

USDJPY

The USD/JPY pair kicks off the new week on a positive note and touches a fresh YTD peak during the Asian session. Spot prices, however, retreat a few pips in the last hour and now seem to have stabilized around the 145.00 psychological mark.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.0937	1.0961	1.0929	-0.11	-0.59	2.17
GBP-USD	1.2681	1.2708	1.2667	-0.12	-0.81	4.95
USD-JPY	144.92	145.22	144.66	-0.03	-1.67	-9.52
USD-CHF	0.8771	0.8779	0.8756	0.05	-0.49	5.40
Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	1912.93	1915.28	1910.22	-0.04	-1.22	4.87
Silver	22.62	22.72	22.53	-0.29	-2.22	-5.57
Crude Oil	82.14	83.10	82.13	-1.26	0.24	4.17
Bitcoin	29390.45	29410.19	29092.10	-0.05	-0.32	77.70
Etherium	1846.25	1853.68	1833.65	-0.38	-0.29	53.93
Period	1 M	3 M	12 M			
USD LIBOR *	5.42	5.63	6.04			
EURIBOR	3.64	3.78	4.06			
SOFR	5.31	5.36	5.31			
Notes/Bonds	2 Y	10 Y	30 Y			
US	4.90	4.17	4.27			
BTP - BUND	0.64	1.63	1.97			
GILTS	5.03	4.53	4.73			

INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

The S&P 500 and the Nasdaq Composite fell on Friday and posted their second straight weekly losses, as hotter-than-expected U.S. producer prices data pushed Treasury yields higher and sank rate-sensitive megacap growth stocks.

EUROPE

European shares fell on Friday as concerns that global interest rates could stay elevated for longer took centre stage, while UBS shares jumped after the Swiss lender ended a state guarantee granted for its takeover of Credit Suisse.

ASIA

China and Hong Kong stocks fell on Monday as investor sentiment remained subdued after disappointing credit data added to worries about China's slowing economy, compounded by property shocks.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	35281.40	0.30	2.24	6.44	35284.00	-0.19
S&P	4464.05	-0.11	-0.92	16.27	4473.50	-0.16
Nasdaq	13644.85	-0.68	-3.32	30.37	15069.75	-0.18
DJ EuroStoxx50	4321.33	-1.43	-1.79	13.91	4322.00	-0.35
FTSE 100	7524.16	-1.24	1.21	0.97	7516.50	-0.24
CAC 40	7340.19	-1.26	-0.47	13.38	7345.50	N/A
DAX	15832.17	-1.03	-1.69	13.71	15833.00	-0.35
IBEX 35	9434.30	-0.71	-0.04	14.65	9436.30	N/A
FTSE MIB	28274.74	-1.05	-1.36	19.27	28380.00	N/A
Nikkei	32473.65	-1.27	-0.45	22.86	32050.00	-1.60
Hang Seng	19075.19	-2.28	-3.98	-5.77	18631.00	-2.33
DFM General	4064.31	0.38	1.36	21.83	N/A	N/A
MSCI Tadawoul	11546.15	1.07	-1.38	10.19	N/A	N/A
Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	81.75	82.00	78.10	4.34	2.51	34.24
Solidere B	80.00	80.00	76.05	2.50	-0.62	32.56

MUST READ

(Source: Bloomberg/ Forexlive)

The Week Ahead

The retail sector will be in the spotlight next week with Home Depot, Target, and Walmart lined up to issue their Q2 earnings reports and update on consumer trends. The U.S. Census Bureau will also issue the July Retail Sales Report, which is forecast to show a slight acceleration from the pace seen in June. Traders will also be watching the release of FOMC Minutes from the Fed's July meeting for more clues on the direction of interest rates after the July CPI print calmed some nerves. "Overall, the underlying details of the July CPI inflation data are consistent with ongoing progress on disinflation. Although core services inflation trended higher on the month, other component-level trends are evolving in line with our expectations. In particular, rents and used car prices softened, alongside clothing and airfares," updated Goldman Sachs macro strategist Gurpreet Gill. SA contributor ING Economics and Financial Analysis contended that July's CPI data has boosted the case for no more rate hikes, with rate cuts potentially on the horizon if a recession comes to fruition.

MAIN WEEKLY EARNINGS

(Source: Nasdaq)

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
Home Depot	HD US	\$329.5 B	15-Aug-23	Pre-mkt	4.46	5.05
Sea Limited	SE US	\$32.3 B	15-Aug-23	Pre-mkt	0.49	-1.35
Cisco Systems	CSCO US	\$216.2 B	16-Aug-23	After-mkt	0.95	0.74
TJX companies	TJX US	\$99.1 B	16-Aug-23	Pre-mkt	0.76	0.69
Target Corporatio	TGT US	\$60.8 B	16-Aug-23	Pre-mkt	1.49	0.39

ECONOMIC CALENDAR

(Source: Forexlive)

(15-08-23) GB- Claimant Count Change, Count Rate JUL
(15-08-23) GB- ILO Unemployment Rate (3M) JUN; Average Earnings Excluding Bonus
(15-08-23) EA- ZEW Survey - Economic Sentiment AUG
(15-08-23) DE- ZEW Survey - Current Situation, Economic Sentiment AUG
(15-08-23) US- Retail Sales Control Group JUL; Retail Sales MoM JUL
(15-08-23) CA- BoC Consumer Price Index Core YoY JUL
(15-08-23) CA- Consumer Price Index YoY JUL

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