

## FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Forexlive)

### EURUSD

EUR/USD prints mild gains around 1.0870 as it pares the previous day's losses amid very early Wednesday morning in Europe. In doing so, the Euro pair struggles to cheer the market's cautious optimism about the US debt ceiling extension amid a light calendar and mixed clues.

### GBPUSD

GBP/USD remains depressed around 1.2485 amid early Wednesday, after reversing from a weekly high the previous day. In doing so, the Pound Sterling justifies the market's indecision amid a pause in the US Dollar's run-up and cautious mood ahead of the Bank of England (BoE) Governor Andrew Bailey's speech.

### USDJPY

USD/JPY eases from intraday high to 136.35 as it snaps the five-day winning streak on upbeat Japan growth numbers published early Wednesday. Also exerting downside pressure on the risk barometer pair could be the US Dollar's retreat amid easing fears of the US default. Even so, the Yen pair remains indecisive as hawkish Federal Reserve (Fed) statements join upbeat US data.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.0864	1.0874	1.0861	0.02	-1.07	1.49
GBP-USD	1.2478	1.2494	1.2477	-0.08	-1.16	3.27
USD-JPY	136.66	136.67	136.31	0.20	-1.70	-4.05
USD-CHF	0.8960	0.8966	0.8949	-0.06	-0.69	3.18
Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	1991.28	1993.06	1988.98	0.11	-1.91	9.17
Silver	23.74	23.82	23.71	-0.03	-6.53	-0.88
Crude Oil	70.78	71.06	70.38	-0.11	-2.45	-11.75
Bitcoin	27034.38	27229.07	26925.94	0.29	2.22	63.45
Etherium	1822.92	1836.96	1818.34	0.08	1.91	51.99
Period	1 M	3 M	12 M			
USD LIBOR *	5.11	5.33	5.30			
EURIBOR	3.15	3.36	3.81			
* 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	4.06	3.52	3.84			
BTP - BUND	0.72	1.87	2.06			
GILTS	3.81	3.82	4.26			

## INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

### UNITED STATES OF AMERICA

U.S. stock indexes closed lower on Tuesday after a disappointing forecast from Home Depot and U.S. retail sales data for April pointed to softer consumer spending, while uncertainty about interest rates and debt limit negotiations weighed on sentiment.

### EUROPE

European shares declined on Tuesday, with Swedish gaming firm Embracer tanking after warning on full-year earnings, while retail sales data out of the U.S. and retailer Home Depot's weak forecast spurred worries about consumer spending.

### ASIA

China stocks slipped on Wednesday, extending losses from the previous session following disappointing economic data for April, prompting some economists to downgrade the country's growth forecasts.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	33012.14	-1.01	-2.87	-0.41	33107.00	0.15
S&P	4109.90	-0.64	-1.00	7.04	4131.25	0.21
Nasdaq	12343.05	-0.18	1.52	17.93	13514.50	0.24
DJ EuroStoxx50	4315.51	-0.02	-1.19	13.76	4307.00	-0.14
FTSE 100	7751.08	-0.34	-1.63	4.02	7742.50	-0.13
CAC 40	7406.01	-0.16	-1.23	14.40	7405.50	N/A
DAX	15897.93	-0.12	0.69	14.18	15956.00	-0.02
IBEX 35	9191.40	-0.11	-1.99	11.69	9200.70	N/A
FTSE MIB	27198.87	-0.17	-1.81	14.73	26983.00	N/A
Nikkei	29842.99	0.78	5.47	15.25	30080.00	0.80
Hang Seng	19978.25	-0.56	-4.41	0.43	19820.00	-0.47
DFM General	3509.10	-0.46	-0.14	5.19	N/A	N/A
MSCI Tadawoul	11206.02	-0.22	0.38	6.94	N/A	N/A
Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	80.30	80.30	80.30	-3.19	-3.54	31.86
Solidere B	80.45	80.50	80.20	-1.59	-3.65	33.31

## MUST READ

(Source: Bloomberg/ Forexlive)

### Wall Street is strangely calm about the US possibility of defaulting

Dire warnings about the economic chaos and catastrophe that will ensue if the US debt ceiling isn't lifted soon abound. Still, markets remain rather sanguine about the Washington drama. Don't expect that to last much longer. Analysts say Wall Street has identified its own X-date in late May, and if there is no major movement in Congress by then, they expect some major market volatility. What's going on: The U.S. is running out of money, and if Congress doesn't act to raise or suspend its self-imposed borrowing limit, the country could soon default on its bills. That's a really big deal. A default would, in the words of Treasury Secretary Janet Yellen, cause "an economic catastrophe." A lengthy default would wipe out about 8.3 million jobs and bring unemployment 5 percentage points higher. Even under a shorter default, the economy would suffer the loss of about half a million jobs and the unemployment rate would rise by 0.3 percentage points, they said. The Treasury could run out of cash and extraordinary measures to pay all government obligations as soon as June 1, according to Yellen. That's about three weeks from now. Moody's Analytics said that the U.S. could hit its default date on June 8, significantly earlier than its previous projection of August 18. Other, more conservative estimates, put the X-date in August. Investors don't appear to be panicking. Markets moved higher despite little progress being made towards a deal to raise the debt ceiling during an hour-long meeting between President Joe Biden and top congressional leaders.

## MAIN WEEKLY EARNINGS

(Source: Nasdaq)

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
Cisco Systems, Inc	CSCO US	\$189.8 B	17-May-23	After-mkt	0.87	0.78
Target Corporatio	TGT US	\$72.4 B	17-May-23	Pre-mkt	1.77	2.19
Synopsys, Inc	SNPS US	\$55.8 B	17-May-23	After-mkt	1.66	1.89
Walmart Inc.	WMT US	\$412.8 B	18-May-23	Pre-mkt	1.31	1.30
Alibaba Group	BABA US	\$220.8 B	18-May-23	Pre-mkt	0.92	1.45

## ECONOMIC CALENDER

(Source: Forexlive)

- (17-05-23) JP- Gross Domestic Product QoQ Q1 preliminar; Industrial Production YoY
- (17-05-23) EA- Harmonized Index of Consumer Prices APR; ECB's De Guindos speech
- (17-05-23) GB- BoE's Governor Bailey speech
- (17-05-23) EA- European Commission releases Economic Growth Forecasts report
- (17-05-23) US- Housing Starts MoM APR; Building Permits MoM APR
- (18-05-23) GB- BoE Monetary Policy Report Hearings report
- (18-05-23) US- Philadelphia Fed Manufacturing Survey MAY

## CONTACT

Banque BEMO sal  
Asset Management Unit

Ashrafieh, Elias Sarkis Ave., BEMO Bldg, 4th Floor  
P.O.Box 16-6353 Beirut, Lebanon  
Tel: +961 1 325405/6/7/9

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