

Daily Market Brief

April 18th 2024



FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

EUR/USD

The EUR/USD pair edges higher to 1.0672 on Thursday during the early Asian session. The recovery of that major pair is bolstered by renewed selling pressure in the US Dollar (USD) and a risk-friendly environment. Fed's Powell said the central bank might take longer than expected to achieve the 2% target. ECB policymaker said a rate cut looks increasingly likely in its June meeting.

GBP/USD

The GBP/USD pair trades on a softer note around 1.2450 during the early Asian trading hours on Thursday. The softer UK inflation data prompted the expectation that the BoE will start lowering interest rates in the coming months, which weighs on the GBP against the Greenback. Fed Chair Powell said he will wait longer than previously expected to cut rates after unexpectedly upside inflation readings.

USD/JPY

USD/JPY continues to decline as the US Dollar correction exerts pressure on the pair. Japan's CPI data is scheduled to be released on Friday, expecting a moderation in consumer prices for March. The expectation of the Fed maintaining elevated interest rates for an extended period, supported by a robust US economy and persistent inflation, serves as a counterbalance to the downward pressure on the USD/JPY pair.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.0684	1.0684	1.0664	0.10	-0.39	-3.22
GBP-USD	1.2474	1.2474	1.2448	0.16	-0.63	-2.02
USD-JPY	154.27	154.41	153.96	-0.08	-0.65	-8.58
USD-CHF	0.9096	0.9110	0.9096	-0.13	0.04	-7.50
Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	2375.56	2376.97	2361.50	0.62	0.13	15.15
Silver	28.43	28.49	28.14	0.73	-0.05	19.47
Crude Oil	82.86	82.95	82.55	0.21	-2.54	14.88
Bitcoin	61424.51	62220.43	60855.27	0.94	-0.88	44.50
Etherium	3006.56	3035.42	2954.43	1.16	3.10	31.73
Period	1 M	3 M	12 M			
EURIBOR	3.86	3.90	3.70			
SOFR	5.32	5.33	5.21			
Notes/Bonds	2 Y	10 Y	30 Y			
US	4.92	4.57	4.69			
BTP - BUND	0.57	1.45	1.79			
GILTS	4.46	4.26	4.69			

INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

The S&P 500 dropped for a fourth consecutive session on Wednesday, as Nvidia and other struggling technology names put downward pressure on the market. Wednesday marks the third straight session when stocks opened higher but faded as the day wore on. Stocks felt pressure in afternoon trading as artificial intelligence darling Nvidia swung to losses.

EUROPE

European stocks closed higher on Wednesday despite global markets being rattled by comments from the head of the U.S. Federal Reserve. Household goods jumped 1.8%, while tech fell 2.6%. Fresh data showed U.K. inflation eased to 3.2% in March, slightly less than economists expected, as investors keep an eye out for signs of when the Bank of England may cut rates.

ASIA

Asia-Pacific markets sold off as the world awaits Israel's response to Iran's air assault over the weekend. Most major markets in Asia lost about 2%. On Tuesday, China's economy grew 5.3% in the first quarter compared with a year ago, faster than the 4.6% growth expected by economists polled by Reuters.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	37753.31	-0.12	-2.67	0.17	38081.00	0.24
S&P	5022.21	-0.58	-2.47	5.29	5080.75	0.37
Nasdaq	15683.37	-1.15	-2.61	4.48	17750.00	0.51
DJ EuroStoxx50	4914.13	-0.06	-1.38	8.69	4883.00	0.12
FTSE 100	7847.99	0.35	1.62	1.48	7906.00	0.33
CAC 40	7981.51	0.62	-2.05	5.81	7985.00	0.00
DAX	17770.02	0.02	-0.91	6.08	18051.00	0.18
IBEX 35	10633.90	1.02	0.35	5.26	10644.00	0.00
FTSE MIB	33632.71	0.72	-0.91	10.81	32984.00	0.00
Nikkei	37961.80	0.41	-4.08	13.91	38130.00	0.79
Hang Seng	16251.84	0.94	-1.99	-3.77	16412.00	0.70
DFM General	4172.93	-0.27	-2.40	2.79	N/A	N/A
MSCI Tadawoul	12465.98	-0.28	-2.40	4.17	N/A	N/A

Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	73.50	75.00	73.15	-1.93	0.00	-17.51
Solidere B	73.50	73.50	73.50	-0.14	2.08	-18.29

MUST READ

(Source: Bloomberg/ Forexlive)

Russia will grow faster than the US and all other advanced economies this, the IMF says

Russia's economy is expected to grow significantly faster than major developed economies this year, including the US, according to the International Monetary Fund. The country's war-time economy is forecast to grow by 3.2% in 2024, largely outpacing expected growth for other advanced economies IMF said in a report published on Tuesday. The surging growth rate has been linked to the effects of "high investment" and "robust private consumption" buoyed by wage growth in a tight labor market, though the IMF said it expects these effects to taper off in 2025, with a growth rate of 1.8%. The forecast is a wake-up call for Western countries that have hoped to throttle Russia's economy with sanctions to make its war in Ukraine unsustainable. Growth at that level would back up Vladimir Putin's claims that Russia's economy has withstood the most dire effects of Western sanctions and trade restrictions. Meanwhile, as foreign companies leave Russia amid the war, Moscow has been accruing funds from fleeing firms, seizing \$387 million as of mid-March. In its energy trade, sustained oil and commodity exports to major markets like India and China, alongside Russia's sidestepping of G-7 countries' oil price cap, have enabled it to maintain strong energy exports. Russia's resilience against Western sanctions stems largely from its boundless alliance with China. Trade volume between the two countries surged to a record \$240 billion last year.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
Blackstone Inc	BX US	\$ 149.51B	18-Apr-24	Pre-mkt	0.97	0.97
Keycorp	KEY US	\$ 13.38B	18-Apr-24	Pre-mkt	0.23	0.30
Netflix Inc	NFLX US	\$ 265.58B	18-Apr-24	Aft-mkt	4.55	2.88
Procter & Gamble	PG US	\$ 369.33B	19-Apr-24	Pre-mkt	1.41	1.37
American Express	AXP US	\$ 156.73B	19-Apr-24	Pre-mkt	2.96	2.40

ECONOMIC CALENDAR

(18-04-24) US - Initial Jobless Claims
(18-04-24) US - Existing Home Sales
(19-04-24) JP - Natl CPI YoY
(23-04-24) US - S&P Global US Manufacturing PMI
(23-04-24) US - New Home Sales
(24-04-24) DE - IFO Business Climate
(24-04-24) US - MBA Mortgage Applications

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

Disclaimer: This report is published for information purposes only. The information herein has been compiled from, or based upon sources we believe to be reliable, but we do not guarantee or accept responsibility for its completeness and accuracy. This document should not be construed as a solicitation to take part in any investment, or as constituting any representation or warranty on our part. The investment risks described herein are not purported to be exhaustive, any person considering an investment should seek independent advice on the suitability or otherwise of the particular investment. Investment, Capital Market and Treasury products are subject to investment risk, including possible loss of principal amount invested. Past performance is not indicative of future results: prices can go up or down. Investors investing in investments and/or treasury products denominated in foreign (non-local) currency should be aware of the risk of exchange rate fluctuations that may cause loss of principal when foreign currency is converted to the investor's home currency. Client understands that it is his/her responsibility to seek legal and/or tax advice regarding the legal and tax consequences of his/her investment transactions. The consequences of any action taken on the basis of information contained herein are solely the responsibility of the recipient.