

Daily Market Brief

February 21st 2024



FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

EUR/USD

EUR/USD climbed to a two-week high just shy of 1.0840 on Tuesday after the US Dollar (USD) broadly fell before recovering in the US trading session after US markets returned to the fold following an extended weekend. Markets are gearing up for the latest Meeting Minutes from the Fed FOMC. European markets are also buckling down for the wait to euro area PMI figures due on Thursday.

GBP/USD

The GBP/USD pair edges higher above the 1.2600 mark during the early Asian session on Wednesday. The optimistic comments from BoE Governor Andrew Bailey boosted the GBP. Looking ahead, the FOMC Minutes will be in the spotlight on Wednesday, and it might give more insight into why Fed policymakers are not confident enough to begin easing policy in Q1 2024.

USD/JPY

The USD/JPY is almost flat as Wednesday's Asian session begins after posting minuscule losses of 0.09% on Tuesday. The drop in US Treasury bond yields and a subdued USD were the two reasons that favored the JPY. The pair has consolidated at around the 149.90-150.00 area for the last three trading sessions, capped on the upside by fears that Japanese authorities might intervene. The FOMC Minutes will be in the spotlight on Wednesday.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.0813	1.0819	1.0806	0.05	0.80	-2.05
GBP-USD	1.2631	1.2637	1.2619	0.06	0.52	-0.79
USD-JPY	149.98	150.09	149.85	-0.02	0.40	-5.96
USD-CHF	0.8810	0.8821	0.8805	-0.10	0.57	-4.49
Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	2030.32	2032.28	2022.99	0.29	1.91	-1.58
Silver	23.15	23.19	22.98	0.63	3.47	-2.72
Crude Oil	77.13	77.38	77.08	0.12	-0.55	7.11
Bitcoin	51884.76	52528.23	51733.53	-0.29	-0.25	22.06
Etherium	2976.15	3029.25	2966.55	-0.41	6.60	30.40
Period	1 M		3 M			12 M
EURIBOR	3.85		3.93			3.67
SOFR	5.32		5.33			5.05
Notes/Bonds	2 Y		10 Y			30 Y
US	4.59		4.27			4.45
BTP - BUND	0.57		1.49			1.89
GILTS	4.56		4.04			4.59

INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

Stocks fell Tuesday as Nvidia led a broader tech decline ahead of the chipmaker's earnings report. Shares of Nvidia, which is set to report earnings Wednesday after the bell, fell nearly 5%. Although Nvidia is expected to post impressive results, investors have expressed concerns about its sky-high valuation. Amazon shares declined 1.7%, while shares of Microsoft and Meta each lost about 0.9%.

EUROPE

European stocks ended the day slightly lower on Tuesday as sentiment struggled to pick up in global markets. Shares of Barclays rose 8.6% after the lender announced a major operational overhaul including substantial cost cuts, asset sales and a reorganization of its business divisions in its fourth-quarter results.

ASIA

Asia-Pacific markets closed mixed Tuesday as investors assessed decisions on key lending rates by China's central bank. The CSI 300 closed 0.21% higher at 3,410.85 after the People's Bank of China cut its five-year loan prime rate by 25 basis points to 3.95%, and kept one- and five-year LPR remains unchanged at 3.45%.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	38563.80	-0.17	1.85	2.32	38606.00	-0.07
S&P	4975.51	-0.60	2.80	4.31	4986.25	-0.09
Nasdaq	15630.78	-0.92	2.09	4.13	17559.75	-0.24
DJ EuroStoxx50	4760.28	-0.06	7.00	5.28	4781.00	0.08
FTSE 100	7719.21	-0.12	3.45	-0.18	7682.00	-0.10
CAC 40	7795.22	0.34	5.75	3.34	7764.50	N/A
DAX	17068.43	-0.14	3.10	1.89	17128.00	0.01
IBEX 35	10038.20	0.94	1.82	-0.63	9855.60	N/A
FTSE MIB	31701.48	0.08	4.68	4.45	31806.00	N/A
Nikkei	38363.61	-0.26	6.39	14.34	38310.00	-0.49
Hang Seng	16247.51	2.18	8.44	-2.62	16611.00	2.24
DFM General	4277.36	0.13	4.92	5.49	N/A	N/A
MSCI Tadawoul	12606.50	0.09	5.02	5.34	N/A	N/A

Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	80.10	82.00	79.10	-5.60	-5.99	-10.10
Solidere B	81.35	84.50	78.15	-3.15	-2.63	-9.56

MUST READ

(Source: Bloomberg/ Forexlive)

Nvidia beats Tesla as the most traded stock

Nvidia's stock rally just won't quit — and it's now surpassed Tesla as the most traded on the market. In the last 30 trading sessions, traders have moved about \$30 billion worth of shares of Nvidia per day, according to a Reuters report citing LSEG data. Tesla, which has led daily stock trading for the last several years, has averaged roughly \$22 billion in the same stretch. The Magnificent Seven chip maker is coming off eye-watering gains in 2023, and it's off to a stellar start this year with a 47% year-to-date gain. Tesla stock, for its part, has tumbled about 19.5% year-to-date amid a cloudier outlook for electric vehicle demand, Elon Musk's ultimatums to the board for more control, and reports of partying and drug use among Musk and some board members. Nvidia will report earnings results for the final three months of 2023 after the closing bell on Wednesday. The quarterly results are hugely anticipated by investors, and analysts say surprise in either direction could send the stock whipsawing. Wall Street continues to bet big on the disruptive power of artificial intelligence, and Nvidia's emerged as one of the clear winners of the trend. The chip maker is now the third-most valuable US company, with a \$1.8 trillion market capitalization, surpassing the value of Alphabet and Amazon this month. Last week when a regulatory filing revealed Nvidia had a stake in SoundHound AI, meanwhile, shares of the smaller firm surged 55% in a single day as markets took Nvidia's stake as a vote of confidence. The AI euphoria has similarly sent Super Micro Computer stock up more than 900% in the last year.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
Nvidia Corp	NVDA US	\$ 1.72T	21-Feb-24	Aft-mkt	4.56	0.88
Rivian Automotiv	RIVN US	\$ 15.22B	21-Feb-24	Aft-mkt	-1.33	-1.73
ETSY Inc	ETSY US	\$ 9.09B	21-Feb-24	Aft-mkt	1.24	0.77
Lucid Group	LCID US	\$ 8.43B	21-Feb-24	Aft-mkt	-0.29	-0.28
Moderna Inc	MRNA US	\$ 33.17B	22-Feb-24	Pre-mkt	-1.01	3.61

ECONOMIC CALENDAR

(21-02-24) US - MBA Mortgage Applications
(22-02-24) FR - HCOB France Manufacturing PMI
(22-02-24) EA - CPI YoY / MoM
(22-02-24) US - Initial Jobless Claims
(22-02-24) US - S&P Global US Manufacturing PMI
(22-02-24) US - Existing Home Sales
(23-02-24) DE - IFO Business Climate / IFO Expectations

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