

FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

EUR/USD

The resumption of the positive trend in the USD motivated the DXY to reverse part of the recent weakness while putting the risk-linked galaxy under noticeable pressure and sending EUR/USD back to the proximity of the 1.0700 neighbourhood on Thursday. In the short term, the ECB recent rate cut, contrasting with the Fed's decision to maintain rates, has widened the policy gap between the two central banks, potentially exposing EUR/USD to further weakness.

GBP/USD

GBP/USD is poised for a bumper Friday session. Key UK data is due during the European market session, and US Purchasing Managers Index activity surveys set to wrap up the trading week. The BoE held rates at 5.25% this week, with a stubbornly tepid stance on rate cuts that deflated broad-market rate cut expectations.

USD/JPY

The USD/JPY pair oscillates in a narrow range during the Asian session on Friday and consolidates its recent gains to the 159.00 neighborhood, or the highest level since late April touched the last hour. The fundamental backdrop supports prospects for a further near-term appreciating move for the currency pair, though intervention fears might cap the upside. The BoJ rate-hike uncertainty and mixed National CPI from Japan undermine the JPY.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.0720	1.0721	1.0701	0.17	0.16	-2.89
GBP-USD	1.2670	1.2675	1.2655	0.10	-0.13	-0.48
USD-JPY	158.99	159.13	158.82	0.04	-1.00	-11.29
USD-CHF	0.8914	0.8921	0.8909	0.00	-0.08	-5.61
Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	2362.79	2365.64	2357.18	0.11	1.28	14.53
Silver	30.57	30.85	30.47	-0.57	3.44	28.47
Crude Oil	81.33	81.38	81.12	0.05	3.92	13.45
Bitcoin	64680.71	65215.89	64309.01	-0.58	-2.69	52.16
Etherium	3517.70	3533.63	3490.73	-0.18	-2.25	54.13
Period	1 M		3 M		12 M	
EURIBOR	3.61		3.71		3.61	
SOFR	5.34		5.35		5.05	
US Fed Fund Rate (Indicator)			5.31			
Notes/Bonds	2 Y		10 Y		30 Y	
US	4.74		4.26		4.39	
BTP - BUND	0.69		1.52		1.87	
GILTS	4.16		4.06		4.57	

INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

The S&P 500 pulled back on Thursday after briefly passing the 5,500 level as market bellwether Nvidia gave up earlier gains. Fresh economic data contributed to the argument that the economy is softening. That data included higher-than-expected weekly jobless claims and poor housing starts and permits. A reading of the Philadelphia Fed Manufacturing Index also came in below estimates.

EUROPE

European stocks closed higher on Thursday afternoon as investors reacted to policy rate decisions from three central banks. The Bank of England on Thursday kept interest rates unchanged at a 16-year high of 5.25%, a move that had been widely expected. Swiss National Bank said it is lowering its policy rate by 0.25 percentage points to 1.25%. Norway's central bank held its policy interest rate at 4.5% on Thursday, as expected.

ASIA

Asia-Pacific markets were mostly lower on Thursday as China kept its one- and five-year loan prime rates unchanged.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	39134.76	0.77	-1.85	3.83	39156.00	0.02
S&P	5473.17	-0.25	2.85	14.75	5482.50	0.10
Nasdaq	17721.59	-0.79	5.28	18.05	19816.75	0.27
DJ EuroStoxx50	4947.73	1.27	-1.97	9.43	4951.00	0.08
FTSE 100	8272.46	0.82	-1.71	6.97	8281.00	0.10
CAC 40	7671.34	1.34	-5.77	1.70	7673.50	0.01
DAX	18254.18	1.03	-2.52	8.97	18242.00	0.02
IBEX 35	11160.50	0.94	-1.54	10.48	11167.00	0.00
FTSE MIB	33675.15	1.37	-2.68	10.95	33681.00	0.00
Nikkei	38633.02	-0.13	-0.94	15.29	38560.00	-0.13
Hang Seng	18335.32	-1.44	-5.98	6.01	18063.00	-1.33
DFM General	3986.63	-0.04	-2.17	-1.80	N/A	N/A
MSCI Tadawoul	11498.93	-1.31	-5.14	-3.91	N/A	N/A
Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	69.85	70.00	69.50	0.50	-0.07	-21.60
Solidere B	70.00	70.00	69.05	1.38	0.72	-22.18

MUST READ

(Source: Bloomberg/ Forexlive)

Japan issues fresh warning against yen bears as currency slides

Japanese authorities are ready to take action against speculative and excessively volatile moves in the currency market that hurt the economy, the country's top currency diplomat Masato Kanda said on Friday. "It's not intended to change the market's trend," instead it was aimed at smoothing excessive volatility in the currency market, Kanda told reporters when asked about exchange-rate intervention. "As long as currency rates move stably in line with fundamentals, there's no need to intervene. By contrast, if there is speculative, excessive volatility in the market, we will take resolute action," said Kanda, who is vice finance minister for international affairs. The remarks failed to keep the yen from falling below 159 to the dollar for the first time since April 29, as markets continued to focus on the wide interest-rate divergence between Japan and the United States. The dollar stood at 159.12 yen in Asia on Friday. Chief Cabinet Secretary Yoshimasa Hayashi also warned yen bears against pushing down the currency, saying authorities would continue to monitor moves in the exchange-rate market. "It's important that exchange rates move in a way that reflects fundamentals," he told a news conference. Japan spent 9.8 trillion yen (\$61.6 billion) intervening in the foreign exchange market in April and May. While the moves have kept the yen from testing fresh lows, they have failed to reverse the currency's downtrend that is hurting households by pushing up fuel and food import costs. As markets keep an eye on the chance of renewed intervention, a U.S. Treasury report issued on Thursday added Japan to its foreign exchange monitoring list alongside six countries that were on the previous list.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
Carmax Inc	KMX US	\$ 11.23B	21-Jun-24	Pre-mkt	0.96	1.44
Factset Research !	FDS US	\$ 15.56B	21-Jun-24	Pre-mkt	3.91	3.79
Enerpac Tool Groi	EPAC US	\$ 2.09B	24-Jun-24	Aft-mkt	0.47	0.39
Beyond Air Inc	XAIR US	\$ 60.1M	24-Jun-24	Aft-mkt	-0.47	-0.64
Fedex Corp	FDX US	\$ 62.14B	25-Jun-24	Aft-mkt	5.34	4.94

ECONOMIC CALENDAR

(21-06-24) JP - Natl CPI YoY
(21-06-24) UK - S&P Global UK Manufacturing PMI
(21-06-24) US - S&P Global US Manufacturing PMI
(21-06-24) US - Leading Index
(21-06-24) US - Existing Home Sales
(24-06-24) DE - IFO Business Climate
(25-06-24) CA - CPI YoY

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.