

Daily Market Brief

November 21st 2023



FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

EURUSD

The EUR/USD pair trades in positive territory for the fourth consecutive day during the early European session on Tuesday. The weaker US dollar and lower US Treasury bond yields lend some support to EUR/USD. Investors will take more cues from the Federal Open Market Committee (FOMC) Meeting Minutes on Tuesday, which could potentially provide insights into the trajectory of future policy rates.

GBPUSD

GBP/USD continues to trade higher for the third consecutive session, reinforced by the Bank of England (BoE) Governor Andrew Bailey's speech at the Henry Plumb Memorial Lecture on Monday. The GBP/USD pair trades around 1.2530 during the Asian session on Tuesday, nearing 11-week highs. BoE Governor Bailey remarked that while inflation has exceeded the main targets, signs are emerging that runaway prices, particularly in the food sector, are starting to stabilize.

USDJPY

The USD/JPY pair remains under some selling pressure for the fourth straight day on Tuesday – also marking the fifth day of a negative move in the previous six – and drops to its lowest level since October 4 during the Asian session. The US Dollar (USD) plunges to a near three-month low in the wake of dovish Federal Reserve (Fed) expectations and turns out to be a key factor dragging the USD/JPY pair lower.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.0959	1.0965	1.0939	0.17	0.74	2.37
GBP-USD	1.2528	1.2540	1.2500	0.18	0.23	3.68
USD-JPY	147.66	148.42	147.25	-0.49	1.84	-11.20
USD-CHF	0.8833	0.8850	0.8827	-0.19	0.66	4.66
Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	#NAME?	1994.31	1977.91	0.67	1.38	9.17
Silver	23.71	23.81	23.42	1.14	2.69	-1.01
Crude Oil	77.25	77.80	77.18	-0.75	-1.18	0.60
Bitcoin	37396.95	37666.01	37342.40	-0.08	3.98	126.11
Etherium	2016.38	2035.55	2008.91	-0.48	3.10	68.12
Period	1 M	3 M	12 M			
USD LIBOR *	5.45	5.63	6.04			
EURIBOR	3.82	3.98	3.99			
SOFR	5.33	5.37	5.23			
Notes/Bonds	2 Y	10 Y	30 Y			
US	4.90	4.39	4.53			
BTP - BUND	0.56	1.73	2.03			
GILTS	4.53	4.13	4.55			

INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

Stocks jumped Monday to start a holiday shortened week, boosted by strong tech gains led by Microsoft & Nvidia. Chipmaker Nvidia also added 2.3%, closing at an all-time high for the stock ahead of its earnings report Tuesday afternoon. The tech and communication services sectors were the biggest gainers in the S&P 500, up 1.5% and 1%, respectively. U.S. markets will be closed Thursday due to the Thanksgiving holiday. Friday will also be a shortened trading day.

EUROPE

European markets saw a cautious start Monday following a strong week, as the slew of third-quarter earnings slows down. The regional Stoxx 600 index closed 0.1% higher. Food and beverage stocks ended the session 0.5% lower while as oil and gas stocks led gains, up 1.3%. Figures showed inflation coming down sharply, with U.K. price rises slowing to 4.6% in October from 6.7% in September. Euro zone inflation was confirmed at 2.9%, down from 4.3% the previous month.

ASIA

Asia-Pacific markets were mostly higher on Monday after most major bourses ended lower in the previous session, while China left its benchmark lending rates unchanged. Japan's Nikkei 225 index was down 0.59 while Hang Seng index rose 1.77%.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	35151.04	0.58	6.11	6.05	35225.00	0.00
S&P	4547.38	0.74	7.65	18.44	4563.00	0.02
Nasdaq	14284.53	1.13	10.02	36.48	16098.75	0.08
DJ EuroStoxx50	4342.41	0.04	7.89	14.47	4358.00	0.09
FTSE 100	7496.36	-0.11	1.27	0.60	7513.00	-0.03
CAC 40	7246.93	0.18	6.32	11.94	7230.80	N/A
DAX	15901.33	-0.11	7.45	14.20	15977.00	0.10
IBEX 35	9839.00	0.79	8.97	19.56	9764.70	N/A
FTSE MIB	29541.90	0.15	7.99	24.61	29616.00	N/A
Nikkei	33354.14	-0.10	6.70	27.82	33350.00	0.09
Hang Seng	17778.07	-0.07	3.46	-10.19	17798.00	0.20
DFM General	4002.44	0.01	6.70	19.98	N/A	N/A
MSCI Tadawoul	11118.94	-0.16	4.36	6.11	N/A	N/A
Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	68.95	69.25	65.65	1.40	0.66	13.22
Solidere B	65.45	65.45	65.45	-1.21	-3.75	8.45

MUST READ

(Source: Bloomberg/ Forexlive)

Microsoft to benefit from OpenAI "change of leadership"

Microsoft stock reached a record high on Monday after the company said that Sam Altman, former chief executive of OpenAI, will join the company to head its artificial intelligence innovation leg. Shares of the tech behemoth rose 2.1% to an all-time high close of \$377.44 on Monday, beating the previous record of \$376.17. That comes after shares of Microsoft fell 1.7% on Friday, when Sam Altman was ousted from his position at OpenAI in a boardroom coup. Microsoft is the artificial intelligence firm's biggest stakeholder, with a \$13 billion investment in the company. Greg Brockman, who co-founded OpenAI and quit after Altman's firing, is also joining Microsoft. Altman's hiring ended days of speculation that the former chief executive could return to the firm after his dramatic firing. Emmett Shear, former CEO of Amazon-owned streaming service Twitch, will replace OpenAI chief technology officer Mira Murati as interim chief executive. Microsoft shares are up about 56% for the year. On other hand, OPENAI was in open revolt on Monday with more than 700 employees signing an open letter threatening to leave unless the board resigns and reinstates Sam Altman as CEO, along with cofounder and former president Greg Brockman.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
American Eagle O	AEO US	\$3.87 B	21-Nov-23	Pre-mkt	0.48	0.42
Best Buy Inc	BBY US	\$14.99 B	21-Nov-23	Pre-mkt	1.18	1.38
Abercrombie & Fi	ANF US	\$3.51B	21-Nov-23	Pre-mkt	1.14	0.01
HP Inc	HPQ US	\$27.95B	21-Nov-23	Aft-mkt	0.90	0.86
NVIDIA Corp	NVDA US	\$1.25T	21-Nov-23	Aft-mkt	3.36	2.70

ECONOMIC CALENDAR

(21-11-23) CA - CPI NSA MoM / CPI YoY
(21-11-23) US - Existing Home Sales
(22-11-23) US - MBA Mortgage Applications
(22-11-23) US - U. of Mich Sentiment
(23-11-23) FR - HCOB France Manufacturing PMI / Services PMI / Composite PMI
(23-11-23) DE - HCOB Germany Manufacturing PMI / Services PMI / Composite PMI
(23-11-23) UK - S&P Global / CIPS UK Manufacturing PMI

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