Daily Market Brief

November 21st 2024

BANQUE BEMO

FOREIGN EXCHANGE MARKETS (Sources: Bloomberg / Reuters)

EUR/USD

The EUR/USD pair slightly appreciates after losses in the previous session, with potential upside limited by safe-haven flows amid rising geopolitical tensions between Russia and Ukraine. Meanwhile, ECB officials suggest inflation is nearing its target, while the Fed remains cautious on rate cuts due to persistent inflation concerns.

GBP/USD

GBP/USD edges higher to near 1.2650, supported by a softer US Dollar, though the upside potential is limited by safe-haven flows amid the escalating Russia-Ukraine conflict. Cautious remarks from Federal Reserve officials and a stronger-than-expected UK inflation report reinforce expectations of a smaller interest rate cut in December, while the Bank of England maintains a cautious stance on future rate reductions.

USD/JPY

USD/JPY is back above the 155.00 mark in the Asian session on Thursday, trimming early losses. The uncertainty about the timing of another rate hike by the BoJ supports the pair, despite a softer US Dollar and Treasury bond yields. Fedspeak is next on tap.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.0545	1.0555	1.0540	0.01	0.14	-4.48
GBP-USD	1.2651	1.2660	1.2646	-0.01	-0.12	-0.63
USD-JPY	154.83	155.45	154.56	-0.39	0.93	-8.91
USD-CHF	0.8828	0.8860	0.8821	-0.16	0.84	-4.69

Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	2660.98	2662.27	2649.01	0.39	3.75	28.99
Silver	31.23	31.27	30.78	1.22	2.56	31.24
Crude Oil	69.12	69.19	68.86	0.54	0.86	-1.17
Bitcoin	97164.79	97892.01	93850.62	2.86	6.72	128.58
Etherium	3124.84	3144.77	3035.18	1.45	-0.98	36.92

Period	1M	3M	6M	12M
SOFR ($)	4.60	4.51	4.42	4.26
ESTR (€)	2.26	2.90	2.60	2.26
SONIA (£)	4.71	4.68	4.59	4.44
SARON (F)	0.82	0.65	0.52	0.35
TONAR (¥)	0.22	0.22	0.17	0.09

	Rates
U.S. Federal Fund Target Rate	4.75
ECB Main Refinancing Operation Announcement Rate	3.4
ECB Deposit Facility Announcement Rate	3.25
ECB Marginal Lending Facility Announcement Rate	3.65
BOE Official Bank Rate	4.75

INTERNATIONAL EQUITY MARKETS (Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

The S&P 500 ended Wednesday flat, with Nvidia shares slipping nearly 1% ahead of the company's highly anticipated earnings report. Investors also assessed disappointing results from Target. All eyes are on artificial intelligence darling Nvidia. The results could hold more significance than some key economic reports and they could set the tone for the market for the rest of the week.

EUROPE

European markets were mixed at the close on Wednesday as traders monitored a spike in tensions in the Ukraine-Russia war. In the latest development, the U.S. closed its embassy in Kyiv on Wednesday, warning that it has "received specific information of a potential significant air attack."

ASIA

Asia-Pacific markets mostly fell Thursday, with investors watching tech shares in the region after chipmaker Nvidia reported better-than-expected results. Indian stocks tied to billionaire Gautam Adani plummeted, following his indictment in a New York federal court on charges of involvement in a massive bribery and fraud

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	43408.47	0.32	1.11	15.17	43531.00	0.30
S&P	5917.11	0.00	1.08	24.05	5927.25	-0.20
Nasdaq	18966.14	-0.11	2.30	26.35	20686.75	-0.39
DJ EuroStoxx50	4729.71	-0.45	-4.28	4.61	4758.00	-0.10
FTSE 100	8085.07	-0.17	-2.80	4.55	8139.00	0.21
CAC 40	7198.45	-0.43	-4.48	-4.57	7211.50	-0.46
DAX	19004.78	-0.29	-2.35	13.45	19141.00	0.12
IBEX 35	11589.50	0.01	-2.12	14.72	11593.10	-0.05
FTSE MIB	33227.70	-0.29	-4.94	9.48	33327.00	-0.29
Nikkei	38352.34	-0.85	-2.38	13.63	37990.00	-1.12
Hang Seng	19705.01	-0.33	-4.10	15.20	19656.00	-0.17
DFM General	4760.67	-0.85	5.41	16.27	N/A	N/A
MSCI Tadawoul	11867.92	-0.07	-1.17	-0.83	N/A	N/A

Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	90.45	91.00	90.00	-1.68	-3.47	1.52
Solidere B	90.60	91.10	90.00	-1.20	-3.62	0.72

MUST READ (Source: Bloomberg/ Forexlive)

Nvidia earnings, forecasts top expectations as 'age of AI is in full steam'

Nvidia exceeded expectations in its third-quarter earnings, reporting a stronger-than-expected $0.81 earnings per share and $35.1 billion in revenue, surpassing analyst estimates of $0.74 EPS and $33.2 billion. The company's data center segment, which drives most of its revenue, generated $30.8 billion, a 112% increase from the previous year. Gaming revenue also rose to $3.3 billion, topping expectations. Nvidia projects Q4 revenue of $37.5 billion, slightly above Wall Street's $37 billion forecast. Despite the positive results, Nvidia's stock fell 1%, as investors appeared cautious. CEO Jensen Huang highlighted the growing demand for its AI chips, driven by advancements in AI applications. Nvidia's stock has surged by 192% in 2024, reflecting the boom in AI. The company is addressing concerns about supply limitations for its next-gen Blackwell chip, which is set to ship soon. However, Nvidia faces risks from potential U.S. tariffs on products from Taiwan, where its chips are primarily manufactured. Tariffs could lead to higher prices for its AI chips, impacting margins or requiring price hikes for customers. Despite this uncertainty, Nvidia remains a dominant force in the semiconductor industry, outpacing competitors like AMD and Intel.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
Deere & company	DE US	$ 110.80B	21-Nov-24	Pre-mkt	3.87	8.26
Copart Inc	CPRT US	$ 53.39B	21-Nov-24	Aft-mkt	0.37	0.35
Intuit Inc	INTU US	$ 182.25B	21-Nov-24	Aft-mkt	2.35	2.47
Netapp Inc	NTAP US	$ 25.28B	21-Nov-24	Aft-mkt	1.78	1.58
Zoom Video Com	ZM US	$ 24.27B	25-Nov-24	Aft-mkt	1.30	1.29

ECONOMIC CALENDAR

(21-11-24) US - Philadelphia Fed Business Outlook
(22-11-24) JP - Natl CPI YoY
(22-11-24) DE - GDP SA QoQ / GDP NSA YoY
(22-11-24) US - S&P Global US Manufacturing PMI
(22-11-24) US - University of Michigan Sentiment
(26-11-24) US - Conf. Board Consumer Confidence
(26-11-24) US - FOMC Meeting Minutes

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