

Daily Market Brief

February 22nd 2024



FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

EUR/USD

EUR/USD drifted into the midrange before a late break into the high side on Wednesday after the US Fed published its latest Minutes which showed policymakers continue to remain focused on downside risks. Inconsistent inflationary pressures in the US economy is keeping the Fed back from rate cuts, and policymakers continue to wait for further signs of inflation dropping to the Fed's desired target range.

GBP/USD

The GBP/USD pair trades stronger below the mid-1.2600s on Thursday. The FOMC policymaker highlighted the importance of carefully assessing incoming data in judging whether inflation is moving down sustainably. The BoE policymaker Dhingra said on Wednesday that delaying interest rate cuts comes at a cost for living standards and could trigger a hard landing for the UK economy.

USD/JPY

The USD/JPY climb above the 150.00 figure extended its gains ahead of the release of the minutes of the latest Fed meeting. USD/JPY reaches 150.30, gaining ahead of key Fed meeting insights, maintaining an upward trajectory. Technical indicators highlight bullish stance, with potential resistance near 151.00 amid intervention concerns.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.0838	1.0839	1.0817	0.18	0.61	-1.82
GBP-USD	1.2649	1.2650	1.2631	0.09	0.39	-0.64
USD-JPY	150.22	150.46	150.21	-0.05	-0.19	-6.11
USD-CHF	0.8778	0.8799	0.8777	-0.21	0.24	-4.15
Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	2029.06	2030.66	2025.12	0.15	1.23	-1.64
Silver	22.97	23.00	22.86	0.36	0.19	-3.47
Crude Oil	78.17	78.23	77.87	0.33	2.37	8.55
Bitcoin	51718.97	51949.51	51160.19	0.64	-0.17	21.67
Etherium	2945.95	2978.63	2906.40	0.62	5.72	29.08
Period	1 M	3 M	12 M			
EURIBOR	3.90	3.94	3.69			
SOFR	5.32	5.32	5.00			
Notes/Bonds	2 Y	10 Y	30 Y			
US	4.65	4.30	4.47			
BTP - BUND	0.57	1.50	1.91			
GILTS	4.63	4.10	4.64			

INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

S&P 500 futures rose early Thursday, boosted by a jump in Nvidia shares as the chip giant posted record revenue and issued upbeat guidance. Nvidia shares popped 9% in after-hours trading after the chip company said total revenue rose a whopping 265% from a year ago. Minutes from the Fed's last meeting showed that central bank officials expressed caution about lowering interest rates too quickly and emphasized the importance of "carefully assessing" incoming data.

EUROPE

European markets are heading for a higher open Thursday ahead of a busy day of earnings and data in the region. Preliminary services and manufacturing purchasing managers' index data from the euro zone in February is due Thursday, and will serve as a gauge of business activity in the region.

ASIA

Japan's Nikkei hit a record high on Thursday with investors shrugging off dismal business activity data from the country, while other Asia-Pacific markets traded in the green. Investors assessed Japan's Jibun Bank flash purchasing managers' index reading for February that showed business activity contracted yet again.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	38612.24	0.13	1.61	2.45	38760.00	0.21
S&P	4981.80	0.13	2.71	4.44	5038.50	0.85
Nasdaq	15580.87	-0.32	1.44	3.79	17819.00	1.61
DJ EuroStoxx50	4775.31	0.32	6.58	5.61	4828.00	0.86
FTSE 100	7662.51	-0.73	2.33	-0.91	7662.50	0.44
CAC 40	7812.09	0.22	5.38	3.56	7764.50	N/A
DAX	17118.12	0.29	2.61	2.19	17263.00	0.60
IBEX 35	10107.20	0.69	1.40	0.05	9855.60	N/A
FTSE MIB	32018.40	1.00	6.08	5.49	32111.00	N/A
Nikkei	39098.68	2.19	6.98	16.84	39120.00	2.17
Hang Seng	16503.10	0.74	11.13	-2.47	16629.00	0.84
DFM General	4254.99	-0.21	4.04	4.59	N/A	N/A
MSCI Tadawoul	12634.33	0.22	4.33	5.57	N/A	N/A

Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	79.35	81.50	79.00	-0.94	-6.43	-10.94
Solidere B	79.85	83.00	78.20	-1.84	-4.26	-11.23

MUST READ

(Source: Bloomberg/Forexlive)

Ether is outperforming bitcoin

The crypto ETF hype has found a new home: ether. Ether has surged 27% so far this year, surpassing bitcoin's gains of 20%. The second-biggest cryptocurrency's gains are being partially fueled by hopes that ether could be next in line after the approval of the spot bitcoin ETF. It marks a reversal from 2023, when bitcoin led the pack. Ether is currently trading at \$2,282.32, after briefly breaching the \$3,000 level on Tuesday. Meanwhile, bitcoin is trading at \$50,921.01. Its market cap recently surpassed \$1 trillion for the first time in over two years, as the approval of ETF boosted demand and as a halving event — which will reduce supply — approaches in April this year. The spot bitcoin ETF, which tracks the real-time price of the token unlike previous ETFs which wagered future prices, was approved in January this year. Since the SEC approval, inflows into the 10 funds have notched \$5.2 billion. And the excitement has bled into ether. Even in the derivatives space, open interest in CME Group's ether futures marketplace is close to hitting a record high. The total crypto market is now worth \$2 trillion for the first time since April 2022. Ether ETF applications have already been filed by the likes of VanEck and Ark 21Shares, and according to Standard Chartered, an approval could arrive in May, Bloomberg previously reported. Bernstein analysts have also placed a 50% odds that the ETF could be approved.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
Moderna Inc	MRNA US	\$ 33.40B	22-Feb-24	Pre-mkt	-1.01	3.61
PG&E Corp	PCG US	\$ 35.80B	22-Feb-24	Pre-mkt	0.45	0.26
Morningstar Inc	MORN US	\$ 11.64B	22-Feb-24	Aft-mkt	1.49	0.58
Zoom Video Com	ZM US	\$ 18.68B	26-Feb-24	Aft-mkt	1.14	1.22
Macy's Inc	M US	\$ 5.20B	27-Feb-24	Pre-mkt	-0.25	-0.54

ECONOMIC CALENDAR

(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
(26-02-24) US - New Home Sales

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