

# Daily Market Brief

December 22nd 2023



## FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

### EUR/USD

The EUR/USD pair posts modest gains to its highest level in four months during the early Asian trading hours on Friday. The weaker US Dollar (USD) and the hawkish stance of the European Central Bank lift the EUR/USD pair. Investors await November's US Core Personal Consumption Expenditure Price Index (Core PCE) on Friday.

### GBP/USD

The GBP/USD pair struggles to build on the previous day's solid bounce of around 85 pips from the 1.2610 region, or a one-week low and oscillates in a range during the Asian session on Friday. In the UK, monthly Retail Sales report will be released during the early European session, along with the final Q3 GDP print. Meanwhile, the US economic docket features the Core Personal Consumption Expenditure (PCE) Price Index. This, in turn, will drive the US Dollar (USD) demand and provide some meaningful impetus to the GBP/USD pair.

### USD/JPY

The Japanese Yen (JPY) snaps a two-day winning streak against the US Dollar (USD), allowing the USD/JPY pair to stage a goodish intraday bounce from the 141.85 area or a fresh weekly low touched during the Asian session on Friday. Dovish Fed expectations should undermine the USD and cap the USD/JPY pair. Traders now look to the US Core PCE Price Index for some meaningful impetus.

| Fx rates    | Last     | High     | Low      | % Daily | % Weekly | % YTD  |
|-------------|----------|----------|----------|---------|----------|--------|
| EUR-USD     | 1.0997   | 1.1013   | 1.0994   | -0.13   | 0.94     | 2.73   |
| GBP-USD     | 1.2696   | 1.2714   | 1.2679   | 0.05    | 0.12     | 5.07   |
| USD-JPY     | 142.37   | 142.56   | 141.87   | 0.18    | -0.15    | -7.90  |
| USD-CHF     | 0.8568   | 0.8573   | 0.8558   | 0.07    | 1.60     | 7.90   |
| Commodities | Last     | High     | Low      | % Daily | % Weekly | % YTD  |
| Gold        | 2047.74  | 2055.03  | 2045.95  | 0.09    | 1.39     | 12.27  |
| Silver      | 24.32    | 24.51    | 24.32    | -0.33   | 1.96     | 1.54   |
| Crude Oil   | 74.60    | 74.75    | 73.80    | 0.96    | 3.93     | -2.23  |
| Bitcoin     | 43911.43 | 44411.49 | 43741.28 | -0.21   | 4.85     | 165.49 |
| Etherium    | 2272.47  | 2297.54  | 2231.56  | 1.06    | 1.57     | 89.47  |
| Period      | 1 M      | 3 M      | 12 M     |         |          |        |
| EURIBOR     | 3.86     | 3.92     | 3.60     |         |          |        |
| SOFR        | 5.36     | 5.36     | 4.85     |         |          |        |
| Notes/Bonds | 2 Y      | 10 Y     | 30 Y     |         |          |        |
| US          | 4.34     | 3.89     | 4.03     |         |          |        |
| BTP - BUND  | 0.54     | 1.62     | 2.02     |         |          |        |
| GILTS       | 4.07     | 3.53     | 4.09     |         |          |        |

## INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

### UNITED STATES OF AMERICA

Stocks rose on Thursday, with the S&P 500 recovering from its worst day since September as the year-end rally resumed. The S&P 500 advance was broad-based with more than 450 names rising in the index. Micron Technology was the best performer, jumping 8.6% after the memory chipmaker topped quarterly expectations.

### EUROPE

European shares retreated on Thursday, after two sessions of gains, as investors took stock of the recent rally spurred by bets major global central banks would trim interest rates next year. The automobile and parts index (.SXAP) and real estate stocks (.SX86P) fell the most, each down 0.8%. Healthcare stocks (.SXDP) bucked the trend to rise 0.2%.

### ASIA

Most Asia-Pacific markets fell Thursday after Wall Street dropped overnight, while investors awaited gross domestic product reading and inflation numbers from the U.S. However, Hong Kong's Hang Seng index reversed earlier losses to rise 0.1% in its final hour of trade.

| Index          | Close    | % Daily | % M   | YTD    | Futures  | % Change |
|----------------|----------|---------|-------|--------|----------|----------|
| DJIA           | 37404.35 | 0.87    | 6.04  | 12.84  | 37615.00 | -0.37    |
| S&P            | 4746.75  | 1.03    | 4.17  | 23.63  | 4788.25  | -0.18    |
| Nasdaq         | 14963.87 | 1.26    | 4.89  | 42.97  | 16900.00 | -0.33    |
| DJ EuroStoxx50 | 4524.86  | -0.20   | 3.97  | 19.28  | 4553.00  | -0.13    |
| FTSE 100       | 7694.73  | -0.27   | 3.02  | 3.26   | 7694.00  | -0.39    |
| CAC 40         | 7571.40  | -0.16   | 4.28  | 16.96  | 7608.00  | N/A      |
| DAX            | 16687.42 | -0.27   | 4.57  | 19.85  | 16855.00 | -0.08    |
| IBEX 35        | 10104.30 | 0.03    | 2.19  | 22.79  | 10095.50 | N/A      |
| FTSE MIB       | 30274.26 | -0.29   | 3.84  | 27.70  | 30434.00 | N/A      |
| Nikkei         | 33169.05 | 0.09    | -0.85 | 27.11  | 33060.00 | -0.18    |
| Hang Seng      | 16621.13 | -1.58   | -7.76 | -17.31 | 16371.00 | -1.46    |
| DFM General    | 4005.32  | -0.07   | 0.14  | 19.98  | N/A      | N/A      |
| MSCI Tadawoul  | 11621.93 | -0.69   | 4.70  | 10.91  | N/A      | N/A      |

| Leb. Mrkts | Closing Px | High  | Low   | % Daily | % Weekly | YTD   |
|------------|------------|-------|-------|---------|----------|-------|
| Solidere A | 89.85      | 90.00 | 83.10 | 5.71    | 15.64    | 47.54 |
| Solidere B | 88.40      | 89.00 | 83.00 | 4.00    | 11.48    | 46.48 |

## MUST READ

(Source: Bloomberg/ Forexlive)

### Chinese Yuan's share of global payments to a record high

The Chinese yuan's share of global payments hit a record high and became the fourth most used currency last month, according to data from the SWIFT Financial System. In November, the yuan was used in 4.61% of transactions, climbing from 3.60% in October and overtaking the Japanese yen's share, which slipped to 3.41% from 3.91%. The world's other top currencies also lost a bit of share during the month. The dollar's dipped to 47.08% from 47.25%, the euro's fell to 22.95% from 23.36%, and the pound's eased to 7.15% from 7.33%. While the moves for the top three currencies and the yen are slight on an individual basis, collectively they add up to more than 1 percentage point of share. And viewed from a yearly comparison, the latest figures show the yuan's global share has nearly doubled from November 2022, when it made up 2.37% of payments. Its steady uptick comes on continued efforts to crack the greenback's global hegemony, with Beijing pushing to internationalize the yuan as a solid contender. Through this year, cross-border yuan lending has jumped to 28% last month, while the People's Bank of China now holds over 30 bilateral currency swaps with foreign central banks, such as Saudi Arabia and Argentina. China and Russia have almost fully phased out the dollar from their bilateral trade, Russian Prime Minister Mikhail Mishustin said this week. Over 90% of trade between the two nations is done with either the yuan or the ruble, he said, according to Russia's state-run news agency TASS.

## MAIN WEEKLY EARNINGS

| Company          | Ticker   | Market Cap | Date      | Time    | Estimate | Year Ago |
|------------------|----------|------------|-----------|---------|----------|----------|
| Ayala Pharmaceu  | ADXS     | \$6.8M     | 25-Dec-23 | Pre-mkt | -1.27    | N/A      |
| Waldencast Acqu  | WALD     | \$1.39B    | 26-Dec-23 | Pre-mkt | 0.05     | -0.09    |
| Agilethought Inc | AGILQ US | \$1M       | 26-Dec-23 | Pre-mkt | -0.10    | -0.10    |
| Seachange Intern | SEAC US  | \$7.1M     | 27-Dec-23 | Pre-mkt | -0.55    | N/A      |
| CEL SCI Corp     | CVM US   | \$133.4M   | 27-Dec-23 | Pre-mkt | -0.74    | -0.73    |

## ECONOMIC CALENDAR

(22-12-23) JP - Natl CPI YoY  
(22-12-23) UK - GDP YoY / QoQ  
(22-12-23) IT - Manufacturing Confidence  
(22-12-23) CA - GDP MoM / YoY  
(22-12-23) US - New Home Sales  
(22-12-23) US - U. of Mich Sentiment  
(26-12-23) JP - Jobless Rate

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