

Daily Market Brief

April 23th 2024



FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

EUR/USD

The EUR/USD is testing the waters near 1.0650 after a quiet Monday saw the major pair flatline ahead of a densely-packed economic data docket. Both the US and the wider Eurozone area will see updates to PMI figures on Tuesday, with high-tier US data due in the back half of the trading week as rate-hungry markets continue to froth for rate cuts from the US Federal Reserve .

GBP/USD

The GBP/USD pair struggles to capitalize on the overnight bounce from the 1.2300 mark, or its lowest level since November 14 and oscillates in a narrow band during the Asian session on Tuesday. Spot prices currently trade around mid-1.2300s, nearly unchanged for the day, and remain at the mercy of the USD price dynamics. The divergent Fed-BoE policy expectations turn out to be a key factor acting as a headwind.

USD/JPY

Nothing stops the US Dollar. Neither the moderate risk appetite seen on Monday nor the reiterated intervention warnings by diverse economic authorities, the Yen remains weighed by interest rate differentials between the Fed and the BoJ, pinned to long-term lows near 155.00. Friday's BoJ momentary policy statement might give a fresh impulse to the Yen.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.0646	1.0661	1.0646	-0.08	0.25	-3.56
GBP-USD	1.2336	1.2359	1.2336	-0.11	-0.72	-3.10
USD-JPY	154.76	154.85	154.66	-0.06	-0.03	-8.87
USD-CHF	0.9126	0.9127	0.9113	0.07	0.04	-7.80
Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	2308.70	2334.46	2295.73	-0.80	-3.11	11.91
Silver	27.00	27.37	26.78	-0.72	-3.94	13.47
Crude Oil	82.14	82.45	81.86	0.29	-3.17	13.89
Bitcoin	66637.37	67251.73	66228.01	0.15	4.89	56.76
Etherium	3190.63	3226.30	3171.73	-0.02	3.94	39.80
Period	1 M	3 M	12 M			
EURIBOR	3.84	3.89	3.73			
SOFR	5.32	5.32	5.22			
Notes/Bonds	2 Y	10 Y	30 Y			
US	4.97	4.61	4.71			
BTP - BUND	0.52	1.36	1.72			
GILTS	4.32	4.21	4.68			

INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

Stocks ripped higher Monday, recovering their footing after a tough week, as tech shares rebounded and tensions in the Middle East dimmed. Companies including Tesla, Meta Platforms, American Airlines, Microsoft and Alphabet are all set to report this week. There is some potentially bigger news in the back part of this week, with GDP due out on Thursday and PCE reading on Friday.

EUROPE

European markets on Monday started the new trading week on a positive note, following uncertain sentiment last week and a repricing of interest rate expectations. U.K. stocks were boosted while sterling tumbled against the U.S. dollar as investors upped bets on a summer interest rate cut from BoE.

ASIA

Asia-Pacific markets rebounded from Friday's sell-off as investors look to fresh data points out of China, Japan and South Korea this week. On Friday, markets in the region tumbled after Israel launched a strike at Iran, causing stocks to fall and safe-haven assets to climb. On Monday, China's one-year and five-year loan prime rates were left unchanged at 3.45% and 3.95% respectively.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	38239.98	0.67	-3.13	1.46	38459.00	-0.02
S&P	5010.60	0.87	-4.27	5.05	5043.75	-0.07
Nasdaq	15451.31	1.11	-5.95	2.93	17323.25	-0.15
DJ EuroStoxx50	4936.85	0.38	-1.87	9.19	4916.00	0.45
FTSE 100	8023.87	1.62	1.17	3.76	8097.00	0.60
CAC 40	8040.36	0.22	-1.37	6.59	8006.50	0.29
DAX	17860.80	0.70	-1.90	6.62	18164.00	0.59
IBEX 35	10890.20	1.50	-0.48	7.80	10859.60	0.00
FTSE MIB	33724.82	-0.58	-1.80	11.11	33525.00	0.00
Nikkei	37438.61	0.30	-8.16	12.22	37570.00	0.37
Hang Seng	16511.69	1.81	1.88	-1.39	16821.00	1.82
DFM General	4167.66	-0.17	-2.63	2.66	N/A	N/A
MSCI Tadawoul	12508.93	-0.07	-2.55	4.53	N/A	N/A

Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	74.00	75.00	73.55	-0.54	-0.13	-16.95
Solidere B	73.80	73.80	73.80	0.00	0.41	-17.95

MUST READ

(Source: Bloomberg/ Forexlive)

Commercial real estate foreclosures jumped 117% in March

The commercial real estate market is starting to buckle under the weight of higher interest rates and remote work. There were 625 commercial real estate foreclosures in March, up 6% from February and 117% from the same time last year, according to a new report published by real estate data provider ATTOM. The figure is calculated based on commercial properties with at least one foreclosure filing — including default notices, scheduled auctions and bank reposessions — entered into the ATTOM Data Warehouse during the month. California had the highest number of commercial foreclosures in March, with 187 properties. While that marked an 8% decrease from the previous month, it is a stunning 405% jump from the previous year. Foreclosures have steadily risen since May 2020, when they hit a record low of just 141 properties. At that time, the U.S. economy was still in the throes of the COVID-19 pandemic, and many lenders offered commercial loan forbearance to borrowers to help them stay afloat. However, those agreements have largely expired and now, the commercial real estate market is struggling with a number of challenges, including higher interest rates and waning demand for office space as more companies allow employees to work from home. About \$1.5 trillion in commercial mortgage debt is due by the end of 2025, but steeper borrowing costs, coupled with tighter credit conditions and a decline in property values brought on by remote work, have increased the risk of default. Roughly \$929 billion worth of commercial real estate loans are set to mature this year, according to the Mortgage Bankers Association.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
General Motors C	GM US	\$ 49.88B	23-Apr-24	Pre-mkt	2.12	2.21
Invesco Ltd	IVZ US	\$ 7.00B	23-Apr-24	Pre-mkt	0.40	0.38
Lockheed Martin	LMT US	\$ 110.95B	23-Apr-24	Pre-mkt	5.78	6.43
MSCI Inc	MSCI US	\$ 40.75B	23-Apr-24	Pre-mkt	3.45	3.14
Pepsico Inc	PEP US	\$ 242.55B	23-Apr-24	Pre-mkt	1.52	1.50

ECONOMIC CALENDAR

(24-04-24) DE - IFO Business Climate
(24-04-24) US - MBA Mortgage Applications
(24-04-24) US - Durable Goods Orders
(24-04-24) CA - Retail Sales MoM
(25-04-24) US - GDP Annualized QoQ
(25-04-24) US - Initial Jobless Claims
(26-04-24) US - University of Michigan Sentiment

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