

Daily Market Brief

November 23rd 2023



FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

EURUSD

The EUR/USD pair snaps its two-day losing streak and surges above 1.0900 during the Asian session on Thursday. Traders will closely monitor the Eurozone preliminary PMI data and the minutes of the ECB on Thursday. The markets remain subdued due to the Thanksgiving day holiday in the US on Thursday. The major pair currently trades around 1.0905, up 0.16% on the day.

GBPUSD

GBP/USD strives to bounce back after its three-day winning streak paused in the previous session, trading marginally higher around 1.2500 during the Asian session on Thursday. The pair faced challenges in the previous session, influenced by the strengthened US Dollar (USD) following economic data releases from the United States (US). Investors seem to perceive persistent inflation in the US, coupled with a decelerating economy.

USDJPY

The USD/JPY rebounds from daily lows of 148.01 and rallies more than 0.81% boosted by a jump in the US 10-year Treasury bond yield. US economic data shows mixed signals with lower-than-expected jobless claims and a significant drop in Durable Goods Orders. Japan's revised economic outlook and continued dovish Bank of Japan stance contrasts with US inflation expectations to underpin the USD/JPY.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.0906	1.0918	1.0884	0.17	0.50	1.88
GBP-USD	1.2506	1.2517	1.2489	0.10	0.74	3.50
USD-JPY	149.10	149.59	148.89	-0.30	1.09	-12.06
USD-CHF	0.8832	0.8855	0.8823	-0.08	0.62	4.68
Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	#NAME?	1998.29	1989.57	0.24	0.71	9.37
Silver	23.65	23.79	23.60	0.06	-0.43	-1.29
Crude Oil	76.44	76.81	75.81	-0.86	4.58	-0.46
Bitcoin	37375.48	37764.12	37260.50	-0.66	2.21	125.98
Etherium	2067.19	2087.63	2053.38	-0.72	5.40	72.36
Period	1 M	3 M	12 M			
USD LIBOR *	5.46	5.64	6.04			
EURIBOR	3.82	3.97	4.02			
SOFR	5.34	5.38	5.23			
Notes/Bonds	2 Y	10 Y	30 Y			
US	4.90	4.40	4.54			
BTP - BUND	0.58	1.76	2.06			
GILTS	4.61	4.16	4.63			

INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

Stocks rose Wednesday after yields briefly fell to their lowest level in two months, and the November market rally broadened into the Thanksgiving holiday. On Tuesday, the Federal Reserve signaled in its latest meeting notes that monetary policy will remain restrictive, and gave no indication of cutting interest rates anytime soon. Chipmaker Nvidia reported its latest quarterly results Tuesday after the bell. Shares fell 2.5% on Wednesday.

EUROPE

European stocks brightened Wednesday as markets digested the latest meeting minutes from the U.S. Federal Reserve and a swathe of fiscal announcements in the U.K. Most sectors traded moderately higher, with travel and leisure stocks rising 1.5%, while oil and gas stocks slumped 1.7%.

ASIA

Asia-Pacific markets are mixed after Wall Street went into the Thanksgiving holiday with a broad based rally. More than half of the stocks trading on the New York stock exchange were up on Wednesday.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	35273.03	0.53	7.09	6.41	35321.00	0.00
S&P	4556.62	0.41	8.05	18.68	4570.25	0.05
Nasdaq	14265.86	0.46	9.58	36.30	16077.50	0.16
DJ EuroStoxx50	4352.02	0.46	7.68	14.72	4363.00	-0.02
FTSE 100	7469.51	-0.17	1.28	0.24	7494.50	0.15
CAC 40	7260.73	0.43	5.99	12.16	7230.80	N/A
DAX	15957.82	0.36	7.82	14.61	16002.00	-0.07
IBEX 35	9887.40	0.61	9.91	20.15	9764.70	N/A
FTSE MIB	29154.91	0.01	5.79	22.98	29220.00	N/A
Nikkei	33451.83	0.29	7.91	28.19	33720.00	0.00
Hang Seng	17734.60	0.47	3.76	-9.92	17838.00	0.56
DFM General	3996.99	-0.32	6.82	19.43	N/A	N/A
MSCI Tadawoul	11099.98	-0.06	7.78	5.87	N/A	N/A
Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	69.80	70.00	65.65	1.23	2.50	14.61
Solidere B	68.15	69.90	65.45	4.13	0.22	12.92

MUST READ

(Source: Bloomberg/ Forexlive)

China's troubled shadow bank Zhongzhi warns of insolvency

One of China's largest shadow banks warned it's "severely insolvent", with a debt pile more than two times higher than assets, according to a letter seen by Bloomberg News. In a further sign of trouble for the nation's \$US3 trillion (\$4.6 trillion) trust sector, Zhongzhi Enterprise Group told investors on Wednesday that it has debts of about 420 billion yuan to 460 billion yuan, compared with assets of 200 billion yuan. Liquidity has dried up and the recoverable amount from asset disposals is expected to be low, the company said. "Preliminary due diligence shows the group has endured a significant risk of sustainable business operation and the company doesn't have sufficient assets to cover debt in the short term," the firm said in the letter sent to investors. Previous efforts at a "self-rescue" failed to live up to expectations, according to the letter. Zhongzhi, one of the country's largest private wealth managers, is the latest financial giant to run into trouble amid a housing crisis and sluggish growth in the world's second-largest economy. The manager of more than 1 trillion yuan in assets was thrust into the spotlight in August after one of its trust-company affiliates failed to make payments to customers on high-yield investment products. Shadow banks like Zhongzhi are loosely regulated firms that pool household savings to offer loans and invest in real estate, stocks, bonds and commodities.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
Zscaler Inc	ZS US	\$28.28 B	27-Nov-23	Aft-mkt	0.49	0.64
Waldencast Acq	WALD US	\$1.13 B	27-Nov-23	Aft-mkt	-0.05	-0.09
First Republic Bank	FRCB US	\$4.47 M	27-Nov-23	Aft-mkt	0.07	8.25
Anavex Life Scien	AVXL US	\$549M	28-Nov-23	Aft-mkt	-0.16	-0.14
Citi Trends Inc	CTRN US	\$219M	28-Nov-23	Pre-mkt	-0.13	-0.60

ECONOMIC CALENDAR

(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
(24-11-23) JP - Natl CPI YoY
(24-11-23) DE - GDP SA QoQ / NSA YoY
(24-11-23) CA - Retail Sales MoM
(24-11-23) US - S&P Global US Manufacturing PMI

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

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