

Daily Market Brief

July 24th 2024



FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

EUR/USD

EUR/USD dipped one-third of one percent on Tuesday as investors knuckle down for the wait to a double-header of PMI figures due from both the EU and the US on Wednesday. As the week progresses, the quarterly US GDP figures are scheduled for Thursday, and the US PCE inflation is on the agenda for Friday.

GBP/USD

GBP/USD eased lower on Tuesday to decline one-fifth of one percent as traders buckle up for a hectic midweek market session after a quiet start to the trading week. S&P PMI activity figures are due on both sides of the Atlantic, quarterly US GDP figures are slated for Thursday, with US PCE inflation on the books for Friday.

USD/JPY

The USD/JPY pair trades on a stronger note around 155.85, snapping the two-day losing streak during the early Asian session on Wednesday. The upside of the pair might be limited amid the growing speculation that the BoJ would continue hiking interest rates to boost the currency. Investors will monitor the US preliminary S&P Global PMIs for June, which is due later on Wednesday.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.0849	1.0855	1.0842	-0.05	-0.82	-1.72
GBP-USD	1.2891	1.2912	1.2884	-0.13	-0.91	1.26
USD-JPY	154.59	155.99	154.37	-0.65	1.04	-8.77
USD-CHF	0.8911	0.8921	0.8906	-0.02	-0.86	-5.58
Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	2416.81	2418.54	2405.04	0.30	-1.71	17.15
Silver	29.33	29.37	29.07	0.28	-3.22	23.24
Crude Oil	77.28	77.49	77.08	0.42	-5.11	8.33
Bitcoin	65875.51	66122.26	65480.50	0.03	-1.66	54.97
Etherium	3444.70	3488.52	3427.86	-1.12	-1.77	50.93
Period	1 M	3 M	12 M			
EURIBOR	3.63	3.71	3.51			
SOFR	5.35	5.28	4.84			
US Fed Fund Rate (Indicator)	5.31					
Notes/Bonds	2 Y	10 Y	30 Y			
US	4.45	4.24	4.47			
BTP - BUND	0.55	1.31	1.72			
GILTS	4.03	4.12	4.64			

INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

The S&P 500 hovered near the flatline Tuesday as traders readied for earnings reports from major technology behemoths. Wall Street continued assessing the latest second-quarter earnings reports, with Google parent Alphabet and Tesla due to report after the bell. Those reports will mark the Street's first look at how major tech-related names fared over the past three months.

EUROPE

European stocks closed slightly higher Tuesday as investors assessed the latest earnings reports from regional companies. Tech stocks added 1.4%, while mining stocks fell 1.71%. Hungary's central bank cut its benchmark interest rate by 0.25 percentage points to 6.75%, continuing its easing cycle as analysts had expected.

ASIA

Asia-Pacific markets traded mixed on Tuesday after Wall Street looked past political uncertainty to log gains overnight, with China stocks leading declines. India's Nifty 50 and the BSE Sensex were both down nearly 0.8% after the country unveiled its first budget under Prime Minister Narendra Modi's third five-year term.

Index	Close	% Daily	% M	YTD	Futures	3D % Change
DJIA	40358.09	-0.14	2.40	7.08	40506.00	-0.46
S&P	5555.74	-0.16	1.98	16.48	5568.50	-0.75
Nasdaq	17997.35	-0.06	2.86	19.89	19762.75	-1.19
DJ EuroStoxx50	4916.80	0.40	-0.69	8.74	4922.00	-0.12
FTSE 100	8167.37	-0.38	-1.38	5.61	8143.50	-0.89
CAC 40	7598.63	-0.31	-1.40	0.74	7530.80	#N/A N/A
DAX	18557.70	0.82	1.27	10.78	18594.00	0.28
IBEX 35	11212.70	0.62	0.36	10.99	11092.70	#N/A N/A
FTSE MIB	34637.75	0.07	2.37	14.12	34865.00	0.05
Nikkei	39594.39	-1.25	0.76	16.83	39090.00	-0.99
Hang Seng	17469.36	-0.78	-3.85	1.68	17340.00	-1.82
DFM General	4216.15	0.89	5.40	3.85	N/A	N/A
MSCI Tadawoul	12105.54	-0.57	3.49	1.15	N/A	N/A

Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	80.15	81.00	77.00	4.09	9.95	-10.04
Solidere B	77.55	79.95	77.50	0.00	8.16	-13.79

MUST READ

(Source: Bloomberg/ Forexlive)

Tesla profit plunges

Tesla profit in the second quarter plunged more than 40% from a year ago, as the electric vehicle company has faced both more EV competition from established automakers and a slowing of overall EV sales growth. The drop in profits is a stark contrast for a company that grew to become the world's most valuable automaker on surging sales and profitability. The results underscore how Tesla, a pioneer in bringing electric vehicles to American drivers, now faces more intense competition from rivals at home and abroad. And with the EV market maturing, the growth in consumer interest for EVs has slowed. Tesla reported adjusted income of \$1.8 billion in the quarter, or 52 cents a share. Analysts had forecast earnings of 61 cents a share, compared to the 91 cents a share it earned a year earlier. Its key measure of profit margin was sharply lower, as a series of price cuts on EVs took a toll. The April through June period was the second straight quarter of year-over-year sales declines for the company, its first-ever consecutive quarters of declining sales volume. The only previous quarter with a sales decline since Tesla went public came early in the pandemic, when stay-at-home orders forced its factories to close. Tesla did warn that "In 2024, our vehicle volume growth rate may be notably lower than the growth rate achieved in 2023." Musk also said that the company would release more details on fully-automated robotaxis in October, rather than a previously planned August. The company calls its driver assist feature "Full Self Driving," but that still requires drivers to be ready to take control of the car. Tesla still faces regulatory and technical hurdles before it can offer robotaxis without drivers.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
AT&T	T US	\$ 130.57B	24-Jul-24	Pre-mkt	0.57	0.63
General Dynamics	GD US	\$ 80.79B	24-Jul-24	Pre-mkt	3.28	2.70
NextEra Energy	NEE US	\$ 148.19B	24-Jul-24	Pre-mkt	0.96	0.88
Chipotle Mexican	CMG US	\$ 72.17B	24-Jul-24	Aft-mkt	0.32	0.25
International Busi	IBM US	\$ 169.11B	24-Jul-24	Aft-mkt	2.20	2.18

ECONOMIC CALENDAR

(24-07-24) FR - HCOB Manufacturing PMI
(24-07-24) US - MBA Mortgage Applications
(24-07-24) CA - Bank of Canada Rate Decision
(24-07-24) US - S&P Global US Manufacturing PMI
(25-07-24) US - GDP Annualized QoQ
(25-07-24) US - Initial Jobless Claims
(25-07-24) US - Durable Goods Orders

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