

Daily Market Brief

September 24th 2024



FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

EURUSD

EUR/USD trimmed recent bullish momentum, declining by one-half of one percent on Monday. EU PMI figures broadly came in below expectations, while US PMIs also printed lower. September's S&P US Manufacturing PMI declined to 47.0 MoM, falling to its lowest level since July of 2023 as the US manufacturing sector sees a continued gloomy outlook on business activity. On the other hand, the S&P US Services PMI eased to 55.4 in September, down from August's 55.7 but beating the expected print of 55.2.

GBPUSD

GBP/USD has risen for five consecutive sessions, trading around 1.3350, near its 31-month high. The US Dollar may weaken as markets anticipate rate cuts from the Federal Reserve in 2024, with a 50% chance of a 75 basis point reduction by year-end. Recent PMI data indicates slower growth in both the US and UK manufacturing sectors, with contractions in manufacturing PMIs and declines in services PMIs.

USDJPY

The JPY is declining against the USD as concerns grow about the BoJ slow approach to raising interest rates. BoJ Governor Kazuo Ueda stated that a rate hike may be considered if inflation trends meet forecasts, while Japan's Finance Minister Shunichi Suzuki emphasized monitoring global monetary policies. Expectations for further rate cuts by the US Federal Reserve in 2024 are contributing to potential weakness in the USD/JPY pair.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.1114	1.1120	1.1103	0.03	0.00	0.68
GBP-USD	1.3354	1.3366	1.3340	0.05	1.47	4.89
USD-JPY	144.19	144.20	143.38	0.40	-1.23	-2.18
USD-CHF	0.8477	0.8479	0.8465	0.02	-0.06	-0.74
Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	2627.56	2640.12	2623.92	-0.04	2.26	27.37
Silver	30.76	31.19	30.65	0.21	0.19	29.27
Crude Oil	71.24	71.31	70.44	1.24	1.83	0.84
Bitcoin	63242.22	63489.58	62724.62	-0.12	0.32	48.78
Etherium	2632.85	2667.79	2610.08	-1.09	6.78	15.36
Period	1M	3M	6M	12M		
SOFR (\$)	4.85	4.67	4.33	3.82		
ESTR (€)	2.60	3.31	3.08	2.60		
SONIA (£)	4.96	4.85	4.67	4.28		
SARON (F)	0.87	0.82	0.73	0.62		
TONAR (¥)	0.22	0.16	0.12	0.05		

Rates

U.S. Federal Fund Target Rate	5.00
ECB Main Refinancing Operation Announcement Rate	3.65
ECB Deposit Facility Announcement Rate	3.50
ECB Marginal Lending Facility Announcement Rate	3.90
BOE Official Bank Rate	5.00

INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

The S&P 500 climbed to a fresh closing high on Monday as traders looked to build on last week's gains following the Federal Reserve's interest rate cut. Investors parsed fresh economic data on Monday, including a 15-month low reading for PMI manufacturing activity in the U.S. for August.

EUROPE

European stocks closed higher Monday as investors assessed banking deals and German and French business activity data. German business activity also contracted in September, with the HCOB flash composite PMI falling from 48.4 in August to 47.2 in September, a seven-month low.

ASIA

Hong Kong's Hang Seng index surged over 3% on Tuesday, led by consumer non-cyclical stocks and leading gains in Asia as Beijing announced a slew of policy easing measures in a rare briefing from central bank governor Pan Gongsheng. Australia's central bank held its benchmark policy rate at 4.35%, in line with expectations from economists polled by Reuters.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	42124.65	0.15	2.31	11.77	42473.00	-0.06
S&P	5718.57	0.28	1.49	19.89	5777.75	0.03
Nasdaq	17974.27	0.14	0.54	19.74	20102.50	0.12
DJ EuroStoxx50	4885.57	0.29	-0.48	8.05	4939.00	0.57
FTSE 100	8259.71	0.36	-0.82	6.81	8338.50	0.33
CAC 40	7508.08	0.10	-0.91	-0.47	7556.00	0.00
DAX	18846.79	0.68	1.15	12.51	19100.00	0.52
IBEX 35	11797.90	0.38	4.61	16.79	11793.00	0.00
FTSE MIB	33679.80	-0.24	0.09	10.97	33622.00	0.00
Nikkei	37723.91	0.86	-0.82	13.70	37830.00	0.83
Hang Seng	18247.11	3.71	7.45	11.01	18962.00	3.73
DFM General	4434.06	-0.05	3.29	9.22	N/A	N/A
MSCI Tadawoul	12129.62	0.41	-0.53	1.36	N/A	N/A

Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	88.00	88.00	88.00	0.00	-2.17	-1.23
Solidere B	86.15	86.35	86.00	0.17	-4.01	-4.22

MUST READ

(Source: Bloomberg/ Forexlive)

US DOJ to sue Visa over debit card market monopoly, Bloomberg News reports

The U.S. Department of Justice plans to file a lawsuit against Visa, the world's largest payments network operator, alleging that the company illegally monopolized the country's debit card market, Bloomberg News reported on Monday. The antitrust division is set to sue Visa in federal court as early as Tuesday, accusing it of various anticompetitive behaviors, the report said, citing unnamed sources. The Justice Department is preparing to accuse Visa of taking measures to prevent competitors from challenging its dominance in the debit card market, according to the report. Visa and the DOJ did not immediately respond to Reuters' requests for comment. In 2023, the DOJ's antitrust division issued an investigative demand to Visa, seeking documents and information about its debit card practices in the U.S. and competition with other payment networks. The probe, initiated in 2021, investigated whether Visa uses anticompetitive practices in the debit card market. The payment processor, at that time, said that it believed its debit practices complied with applicable laws. This move follows Discover Financial Services' unit, Pulse Network, settling a lawsuit in Texas earlier this year, which accused Visa of obstructing competition in the multibillion-dollar debit card network services market, causing merchants to pay higher fees. Visa's rival Mastercard has previously faced similar antitrust investigations regarding its U.S. debit program and competition with other payment networks.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
Thor Industries In	THO US	\$ 5.49B	24-Sep-24	Pre-mkt	1.30	1.68
Cintas Corp	CTAS US	\$ 82.26B	25-Sep-24	Pre-mkt	1.00	0.93
Micron Technolog	MU US	\$ 103.75B	25-Sep-24	After-mkt	1.10	-1.07
Jefferies Financial	JEF US	\$ 12.75B	25-Sep-24	After-mkt	0.80	0.23
Carmax Inc	KMX US	\$ 11.93B	26-Sep-24	Pre-mkt	0.85	0.75

ECONOMIC CALENDAR

(24-09-24) US - Conf. Board Consumer Confidence
(24-09-24) US - Richmond Fed Manufact. Index
(25-09-24) US - MBA Mortgage Applications
(26-09-24) DE - GfK Consumer Confidence
(26-09-24) US - GDP Annualized QoQ
(26-09-24) US - Durable Goods Orders
(26-09-24) US - Initial Jobless Claims

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