

Daily Market Brief

August 25th 2023



FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Forexlive)

EURUSD

EUR/USD takes offers to refresh 2.5-month low near 1.0780 heading into Friday's European session as market players await Jackson Hole speeches from European Central Bank (ECB) President Christine Lagarde and Federal Reserve (Fed) Chairman. Apart from the pre-event anxiety, the recently upbeat US economic concerns and comparatively more hawkish Fed talks, as well as an absence of recession woes in the US, also add strength to the Greenback and weigh on the Euro pair.

GBPUSD

GBP/USD bears are on full steam while refreshing the 10-week low around 1.2550 heading into Friday's London open. In doing so, the Cable pair respects the broad US Dollar strength ahead of the central bankers' showdown at the annual Jackson Hole Symposium, as well as ignoring the upbeat sentiment data flashed at home.

USDJPY

USD/JPY struggles to defend the mid-week recovery from the lowest level in a fortnight, easing to 145.90 amid early Friday morning in Europe. In doing so, the Yen pair portrays the market's cautious mood ahead of the speeches from the Bank of Japan (BoJ) and the Federal Reserve (Fed) leaders at the annual Jackson Hole Symposium.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.0784	1.0816	1.0777	-0.24	-0.82	0.74
GBP-USD	1.2567	1.2609	1.2560	-0.28	-1.31	4.01
USD-JPY	146.11	146.21	145.80	0.19	-0.49	-10.26
USD-CHF	0.8864	0.8867	0.8836	0.21	-0.50	4.30
Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	1913.95	1917.61	1913.15	-0.15	1.30	4.93
Silver	24.04	24.17	24.02	-0.34	5.67	0.36
Crude Oil	79.36	79.48	78.85	0.39	-1.61	1.33
Bitcoin	26049.50	26191.01	26008.96	0.13	-0.70	57.50
Etherium	1653.14	1663.93	1646.41	0.24	-2.15	37.83
Period	1 M	3 M	12 M			
USD LIBOR *	5.43	5.65	6.04			
EURIBOR	3.64	3.83	4.08			
SOFR	5.32	5.39	5.38			
Notes/Bonds	2 Y	10 Y	30 Y			
US	5.03	4.25	4.31			
BTP - BUND	0.69	1.66	2.01			
GILTS	4.97	4.43	4.65			

INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

The three major U.S. stock indexes ended down more than 1% each on Thursday, led by a drop in the Nasdaq after this week's sharp gains and as investors were nervous ahead of Federal Reserve Chair Jerome Powell's speech Friday. Nvidia ends barely higher; other tech shares down.

EUROPE

European shares closed in the red on Thursday, as the early rally in chipmakers fizzled and miners snapped a three-day winning streak, while concerns over any economic downturn kept investors on edge. Euro zone yields rise in cautious trade ahead of Jackson Hole.

ASIA

China and Hong Kong stocks tracked Asian markets lower on Friday, as investors braced for the risk of a hawkish tilt in the U.S. monetary policy, while worries about China's economic health linger.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	34099.42	-1.08	-3.78	2.87	34170.00	0.09
S&P	4376.31	-1.35	-4.19	13.98	4385.00	-0.02
Nasdaq	13463.97	-1.87	-4.81	28.64	14833.00	-0.20
DJ EuroStoxx50	4232.22	-0.81	-3.62	11.56	4229.00	-0.35
FTSE 100	7333.63	0.18	-4.66	-1.59	7333.50	-0.20
CAC 40	7214.46	-0.44	-2.71	11.44	7108.50	N/A
DAX	15621.49	-0.68	-3.64	12.19	15601.00	-0.45
IBEX 35	9324.70	0.10	-2.04	13.31	9216.20	N/A
FTSE MIB	28072.12	-0.57	-3.09	18.41	28147.00	N/A
Nikkei	32287.21	-2.02	-3.21	21.23	31610.00	-1.89
Hang Seng	18212.17	-1.22	-7.43	-9.06	17964.00	-1.27
DFM General	4106.69	0.18	2.29	23.10	N/A	N/A
MSCI Tadawoul	11405.30	0.34	-4.02	8.85	N/A	N/A
Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	80.00	80.00	77.20	2.04	1.39	31.36
Solidere B	79.35	80.00	78.20	0.57	1.80	31.48

MUST READ

(Source: Bloomberg/ Forexlive)

Disney

Shares of Walt Disney Co. closed at their lowest level in nearly nine years Thursday, and even there they may not be cheap. The media conglomerate's stock remains under pressure amid a host of challenges, and KeyBanc Capital Markets analyst Brandon Nispel still views it as expensive relative to peers, despite a selloff that has taken the share price down 59% from Disney's DIS, -3.91% all-time closing high established in early 2021. "From our point of view, Disney has problems across just about every one of its businesses," Nispel told MarketWatch. These include a declining linear-TV business, a complicated shift toward streaming, an underperforming studios unit and a comedown for the parks business as the initial period of postpandemic exuberance wanes. Disney's troubles in linear television and streaming go hand in hand. Pay-TV subscribers are declining at a 6% to 7% rate, weighing on advertising and affiliate revenue. Meanwhile, media companies bled dry their linear offerings in pursuit of streaming success, but the streaming business has been unprofitable, something companies are trying to reverse.

MAIN WEEKLY EARNINGS

(Source: Nasdaq)

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
PDD Holdings	PDD US	\$103.1 B	29-Aug-23	Pre-mkt	0.91	0.93
Bank of Montreal	BMO US	\$59.6 B	29-Aug-23	Pre-mkt	2.27	2.40
Bank of Nova Scot	BNS US	\$54.9 B	29-Aug-23	Pre-mkt	1.28	1.63
HP Inc.	HPQ US	\$32.6 B	29-Aug-23	After-mkt	0.85	1.04
NIO Inc.	NIO US	\$24.1 B	29-Aug-23	Pre-mkt	-0.36	-0.25

ECONOMIC CALENDAR

(Source: Forexlive)

(25-08-23) GB- Gfk Consumer Confidence AUG
(25-08-23) JP- Tokyo Consumer Price Index AUG
(25-08-23) DE- Gross Domestic Product YoY, QoQ Q2
(25-08-23) DE- IFO - Current Assessment, Expectations, Business Climate AUG
(25-08-23) EA- ECB's President Lagarde speech
(25-08-23) US- Fed's Chair Powell speech; Jackson Hole Symposium
(25-08-23) US- Michigan Consumer Sentiment Index AUG

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