

Daily Market Brief

September 25th 2024



FOREIGN EXCHANGE MARKETS (Sources: Bloomberg / Reuters)

EURUSD
The EUR/USD pair extends upside to near 1.1195 on Wednesday during the Asian trading hours. The weakening of the Greenback amid rising speculation of a jumbo rate cut from the US Federal Reserve in November provides some support to the major pair. France's Consumer Confidence and US New Home Sales data are due on Wednesday. Also, Fed Governor Adriana Kugler is set to speak. ECB policymaker signaled another interest-rate cut next month cannot be ruled out.

GBPUSD
The GBP/USD pair builds on its recent gains registered over the past two weeks and advances to its highest level since March 2022, around the 1.3430 region during the Asian session on Wednesday. Meanwhile, the fundamental backdrop suggests that the path of least resistance for spot prices is to the upside, though slightly overbought conditions on the daily chart warrant some caution for bullish traders. The BoE's relatively hawkish stance underpins the GBP and contributes to the move up.

USDJPY
The Japanese Yen inches lower against the US Dollar on Wednesday as investors assess the Bank of Japan's monetary policy outlook. On Tuesday, BoJ Governor Kazuo Ueda indicated that the central bank has time to evaluate market and economic conditions before making any policy adjustments, signaling that there is no urgency to raise interest rates again.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.1195	1.1199	1.1177	0.13	0.68	1.41
GBP-USD	1.3410	1.3430	1.3407	-0.02	1.48	5.33
USD-JPY	143.24	143.49	142.91	0.01	-0.66	-1.54
USD-CHF	0.8419	0.8447	0.8415	-0.17	0.51	-0.06
Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	2657.99	2670.57	2654.55	0.03	3.87	28.84
Silver	31.84	32.28	31.78	-0.79	5.86	33.83
Crude Oil	71.24	71.72	71.11	-0.45	1.95	0.84
Bitcoin	64167.91	64799.30	63981.02	-0.09	2.14	50.96
Etherium	2623.46	2673.60	2620.98	-1.04	3.26	14.95
Period	1M	3M	6M	12M		
SOFR (\$)	4.85	4.66	4.31	3.80		
ESTR (€)	2.55	3.28	3.03	2.55		
SONIA (£)	4.96	4.83	4.65	4.25		
SARON (F)	0.85	0.81	0.71	0.59		
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 rose to a fresh record on Tuesday and largely shook off a weak consumer confidence reading, thanks to a sharp rise in Nvidia. Consumer confidence suffered its biggest one-month decline in more than three years, hitting 98.7 for September. Economists polled by Dow Jones expected a reading of 104.

EUROPE
European stocks closed higher Tuesday, buoyed by China's central bank monetary stimulus measures. The positive sentiment comes after Asia-Pacific markets climbed overnight following Beijing's announcement of a range of policy easing measures in a bid to stimulate the economy.

ASIA
China stocks led gains in Asia-Pacific markets on Wednesday, buoyed by stimulus measures announced by Beijing a day earlier. Investors assessed Australia's inflation numbers on Wednesday, with the consumer price index climbing 2.7% year on year in August, in line with expectations from economists polled by Reuters and easing from the 3.5% rise in July.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	42208.22	0.20	2.51	11.99	42484.00	-0.26
S&P	5732.93	0.25	1.74	20.19	5779.50	-0.21
Nasdaq	18074.52	0.56	1.10	20.41	20104.50	-0.30
DJ EuroStoxx50	4940.72	1.13	0.64	9.27	4941.00	-0.46
FTSE 100	8282.76	0.28	-0.54	7.11	8285.50	-0.59
CAC 40	7604.01	1.28	0.36	0.81	7652.50	0.00
DAX	18996.63	0.80	1.95	13.40	19051.00	-0.52
IBEX 35	11837.00	0.33	4.96	17.17	11815.00	0.00
FTSE MIB	33881.26	0.60	0.69	11.63	33821.00	0.00
Nikkei	37940.59	0.38	-0.73	13.81	37850.00	0.11
Hang Seng	19000.56	1.32	9.31	12.93	19290.00	0.99
DFM General	4461.46	0.62	3.93	9.89	N/A	N/A
MSCI Tadawoul	12268.42	1.14	0.05	2.52	N/A	N/A

Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	91.60	92.80	86.00	4.09	1.83	2.81
Solidere B	90.45	90.90	89.90	4.99	1.06	0.56

MUST READ (Source: Bloomberg/ Forexlive)

JPMorgan CEO Jamie Dimon warns ‘geopolitics is getting worse’
JPMorgan Chase's CEO sounded the alarm again, warning that the state of global stability has gotten worse. During his visit to India, Dimon said in an exclusive interview with CNBC-TV18 released Tuesday, "My caution is all geopolitics, which may determine the state of the economy." "Geopolitics is getting worse, they are not getting better. There is chance for accidents in energy supply. God knows if other countries get involved. You have a lot of war taking place right now," he said, before referencing attacks conducted by Yemen's Houthis rebel group that have taken place in the Red Sea. According to the U.S. military, the Houthis have attacked at least two crude oil tankers this month. Geopolitical instability "is my biggest caution," Dimon said. He also urged the U.S. to prepare for a prolonged war between Ukraine and Russia. The interview came almost a year after Dimon had called geopolitics, after Russia's invasion of Ukraine, the biggest risk that he sees facing the world, larger than high inflation or a U.S. recession. Following a lengthy period of sticky inflation, the Federal Reserve last Wednesday made a jumbo rate cut, its first reduction since March 2020. Traders have piled on, driving the S&P 500 to a fresh closing high on Monday. But Dimon expressed skepticism about the U.S. economy and what markets are pricing in. "I'm a long-term optimist, but in the short run, I'm also more skeptical of other people that say everything [is] going to be great. Markets are pricing things like they're going to be great. Put me on the cautious side of that one," he said.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
Cintas Corp	CTAS US	\$ 82.61B	25-Sep-24	Pre-mkt	1.00	0.93
Micron Technolog	MU US	\$ 104.23B	25-Sep-24	After-mkt	1.10	-1.07
Jefferies Financial	JEF US	\$ 12.84B	25-Sep-24	After-mkt	0.80	0.23
Carmax Inc	KMX US	\$ 11.94B	26-Sep-24	Pre-mkt	0.85	0.75
Costco Wholesale	COST US	\$ 399.68B	26-Sep-24	After-mkt	5.07	4.86

ECONOMIC CALENDAR

(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
(27-09-24) JP - Tokyo CPI YoY / Ex-Fresh Food YoY
(27-09-24) FR - CPI MoM / YoY

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