

Daily Market Brief

April 26th 2024



FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

EUR/USD

EUR/USD whipsawed somewhat on Thursday, and the pair is heading into Friday's early session near 1.0730 after a back-and-forth session and complicated US data that vexed rate cut hopes. US GDP slowed faster than expected, but PCE inflation measures warn of still-high prices. US PCE Price Index figures due during Friday's US market session.

GBP/USD

The GBP/USD pair trades on a weaker note around 1.2502 during the early Asian trading hours on Friday. The modest rebound of the USD weighs on the major pair despite weaker US GDP growth numbers. The US PCE data on Friday will be in the spotlight. The expectation that the BoE will cut rates before the US Fed might exert some selling pressure on the GBP.

USD/JPY

Japan's Tokyo Consumer Price Inflation (CPI) inflation printed well below expectations early Friday, which will complicate the Bank of Japan's (BoJ) upcoming rate call and Monetary Policy Report, due during the Pacific market session. US data confounded rate-hungry investors on Thursday. Markets await BoJ rate call, US PCE Price Index figures.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.0725	1.0731	1.0719	-0.05	0.65	-2.84
GBP-USD	1.2508	1.2527	1.2494	-0.05	1.12	-1.75
USD-JPY	156.12	156.22	155.43	0.30	-0.95	-9.66
USD-CHF	0.9132	0.9135	0.9119	0.11	-0.33	-7.86
Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	2338.59	2338.59	2326.35	0.26	-2.23	13.36
Silver	27.63	27.63	27.27	0.72	-3.69	16.12
Crude Oil	84.04	84.07	83.71	0.56	2.21	16.53
Bitcoin	64556.13	65279.45	63922.14	-0.37	-0.16	51.87
Etherium	3151.70	3191.96	3125.45	-0.71	0.06	38.09
Period	1 M	3 M	12 M			
EURIBOR	3.85	3.88	3.70			
SOFR	5.32	5.32	5.20			
Notes/Bonds	2 Y	10 Y	30 Y			
US	4.99	4.69	4.80			
BTP - BUND	0.56	1.40	1.77			
GILTS	4.48	4.36	4.82			

INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

Stocks tumbled Thursday after the latest U.S. economic data showed a sharp slowdown in growth and pointed to persistent inflation. U.S. GDP expanded 1.6% in Q1, the Bureau of Economic Analysis said well expectations of 2.4%. Along with the downbeat growth rate for the quarter, the report showed consumer prices increased at a 3.4% pace, well above the previous quarter's.

EUROPE

European markets closed lower on Thursday as investors digested a fresh set of earnings and a potential mining takeover bid. Deutsche Bank shares rebounded from earlier losses, rising more than 8%, as investors digested the bank's better-than-expected Q1 profit. Barclays climbed nearly 7% on the back of expectation-beating Q1 net profits.

ASIA

Asia-Pacific markets took a breather after two straight days of rallies, mirroring moves on Wall Street ahead of first-quarter gross domestic product figures from the U.S. due Thursday. The BoJ kicked off its monetary policy meeting Thursday as investors continue to monitor for action against yen weakness.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	38085.80	-0.98	-3.05	1.05	38375.00	0.22
S&P	5048.42	-0.46	-2.98	5.84	5127.75	0.89
Nasdaq	15611.76	-0.64	-4.31	4.00	17773.75	1.17
DJ EuroStoxx50	4939.01	-1.02	-2.47	9.24	4941.00	0.71
FTSE 100	8078.86	0.48	1.86	4.47	8140.00	0.62
CAC 40	8016.65	-0.93	-2.05	6.28	7967.50	0.00
DAX	17917.28	-0.95	-2.54	6.96	18197.00	0.46
IBEX 35	10983.70	-0.40	-0.07	8.73	10931.10	0.00
FTSE MIB	33939.75	-0.97	-2.16	11.82	33702.00	0.00
Nikkei	37628.48	0.98	-5.94	13.55	38010.00	1.09
Hang Seng	17284.54	2.40	6.50	3.82	17707.00	2.17
DFM General	4169.87	0.06	-1.80	2.71	N/A	N/A
MSCI Tadawoul	12254.53	-0.82	-2.63	2.40	N/A	N/A

Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	73.10	73.90	67.00	5.48	-1.55	-17.96
Solidere B	66.55	66.55	66.55	-7.25	-10.01	-26.01

MUST READ

(Source: Bloomberg/ Forexlive)

Jamie Dimon says the US has 35% odds of nailing a soft landing

Things aren't looking particularly rosy for markets and the economy. Jamie Dimon said in an interview with The Wall Street Journal. "The odds of a soft landing, the market kind of prices in 70%. I think it's half of that," the JPMorgan chief said. "It looks a little bit more like the '70s to me, and I point out to a lot of people, things looked pretty rosy in 1972 — they were not rosy in 1973." Dimon referred to a US slowdown at that time, when an oil crisis sent inflation soaring and a recession took hold, a dire situation known as stagflation. But this time around, Dimon sees different reasons for why markets should stay cautious. That includes massive fiscal deficits and upcoming inflation drivers, from green energy initiatives to the world's rearming. Dimon also remains wary about the Federal Reserve's efforts to reduce its balance sheet, citing that no one knows the full effects of doing so. "Don't get lulled into a false sense of security because the today looks okay, that tomorrow is gonna be okay," he said. For now, the economy is visibly strong, Dimon said, with consumers staying in good shape. But even that hints at problems to come, given how reliant the economy has become on fiscal spending for its own success. "The deficit is 6% of GDP, almost \$2 trillion," he said. "That's driving a lot of this growth and that will have other consequences, possibly down the road, called inflation, which may not go away like people expect." Once such problems take hold, they're also likely to stay for the long-term, extending into 2025 and 2026, Dimon warned.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
AbbVie Inc	ABBV US	\$ 296.21B	26-Apr-24	Pre-mkt	2.23	2.46
Aon PLC	AON US	\$ 60.68B	26-Apr-24	Pre-mkt	5.89	5.17
AutoNation Inc	AN US	\$ 6.69B	26-Apr-24	Pre-mkt	4.29	6.05
Chevron Corp	CVX US	\$ 305.33B	26-Apr-24	Pre-mkt	2.90	3.55
Exxon Mobil Corp	XOM US	\$ 480.26B	26-Apr-24	Pre-mkt	2.19	2.83

ECONOMIC CALENDAR

(26-04-24) US - University of Michigan Sentiment
(26-04-24) US - March PCE Inflation Data
(29-04-24) DE - CPI MoM / YoY
(30-04-24) JP - Jobless Rate / Industrial Production MoM
(30-04-24) DE - Unemployment Change (000's)
(30-04-24) UK - Mortgage Approvals
(30-04-24) EA - CPI MoM / CPI Core YoY

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