

Daily Market Brief

May 26th 2023



FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Forexlive)

EURUSD

EUR/USD bears occupy the driver's seat around 1.0720 during Friday's Asian session, near the two-month low marked the previous day. In doing so, the Euro pair justifies the broad US Dollar strength, as well as economic fears surrounding the Eurozone while keeping sellers hopeful after allowing them to dominate in the last three consecutive days.

GBPUSD

GBP/USD remains on the back foot at a two-month bottom as sellers prod a short-term support line ahead of the key UK Retail Sales data on early Friday. In doing so, the Pound Sterling struggles to extend the three-day losing streak around 1.2320-15 by the press time.

USDJPY

The USD/JPY pair has shifted its auction below the crucial support of 140.00 in the Asian session. The asset turned delicate following the footprints of the (DXY). The USD Index has extended its correction to near 104.11 after failing to hold a fresh two-month high at 104.31. The correction in the USD/JPY pair seems higher in proportion than the correction in the USD index, which also indicates that the Japanese Yen has also gained some strength.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.0737	1.0743	1.0719	0.11	-0.63	0.30
GBP-USD	1.2336	1.2343	1.2311	0.12	-0.88	2.09
USD-JPY	139.75	140.11	139.68	-0.22	-1.27	-6.18
USD-CHF	0.9048	0.9062	0.9042	-0.10	-0.56	2.18
Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	1948.97	1951.86	1936.83	0.39	-1.46	6.85
Silver	22.96	23.03	22.68	0.96	-3.74	-4.15
Crude Oil	71.81	72.03	71.49	-0.03	0.17	-10.05
Bitcoin	26351.88	26551.93	26351.88	-0.52	-1.86	59.33
Etherium	1803.78	1812.43	1797.53	-0.35	-0.12	50.39
Period	1 M	3 M	12 M			
USD LIBOR *	5.14	5.42	5.53			
EURIBOR	3.14	3.42	3.93			
* USD LIBOR rates will be discontinued after June 30, 2023 and will be replaced by SOFR						
Notes/Bonds	2 Y	10 Y	30 Y			
US	4.52	3.80	3.99			
BTP - BUND	0.66	1.88	2.06			
GILTS	4.56	4.37	4.65			

INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

Wall Street ended sharply higher on Thursday after a blowout forecast from Nvidia sent the chipmaker's stock soaring and fueled a rally in AI-related companies, while investors watched for signs of progress in U.S. debt ceiling talks.

EUROPE

European stocks slipped on Thursday as concerns over the U.S. debt ceiling standoff and a global economic slowdown resurfaced and outweighed initial optimism from upbeat corporate earnings, while luxury stocks stabilized after a bruising selloff.

ASIA

China stocks fell on Friday, as investor sentiment was broadly subdued with market focus on the Sino-U.S. tensions, despite a rally by semiconductor shares following U.S.-based Nvidia's share price surge overnight.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	32764.65	-0.11	-1.61	-1.15	32765.00	-0.11
S&P	4151.28	0.88	2.35	8.12	4152.75	-0.15
Nasdaq	12698.09	1.71	7.12	21.32	13960.00	-0.11
DJ EuroStoxx50	4269.64	0.14	-1.80	12.55	4281.00	0.14
FTSE 100	7570.87	-0.74	-3.59	1.60	7587.00	0.00
CAC 40	7229.27	-0.33	-3.18	11.67	7514.80	N/A
DAX	15793.80	-0.31	-0.01	13.43	15849.00	0.08
IBEX 35	9116.10	-0.52	-1.91	10.78	9282.10	N/A
FTSE MIB	26408.00	-0.44	-2.58	11.39	26479.00	N/A
Nikkei	30801.13	0.61	9.06	18.76	31000.00	0.55
Hang Seng	18746.92	-1.93	-5.11	-5.23	18528.00	-0.89
DFM General	3525.81	-0.12	1.03	5.69	N/A	N/A
MSCI Tadawoul	11184.57	-0.46	-1.08	6.74	N/A	N/A
Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	83.80	85.00	83.00	-0.83	1.58	37.60
Solidere B	86.15	88.00	85.00	-3.64	4.42	42.75

MUST READ

(Source: Bloomberg / Forexlive)

BMW Partnering With Meta to Create Extended Reality In-Car Technology

BMW is continuing its transition further and further into the Ultimate Technology Machine, as it partners with Meta to create in-car extended reality. Extended reality (XR) sounds like a technology the villain would use in a Phillip K. Dick novel to see the warp the minds of the innocent. However, in upcoming BMWs, ER is going to provide passengers with additional cabin experiences while on the move. A few luxury cars already have augmented reality (AR) technology built into their infotainment systems. Mercedes was the first brand to introduce an AR navigation display, which overlaid turn-by-turn navigation instructions onto a camera feed of the road ahead, showing the driver exactly where to turn. BMW now does something similar. However, this would go beyond that. While drivers obviously can't wear virtual reality (VR) goggles in a car, VR headset technology was used to help create BMW/Meta's ER tech. To accurately display virtual graphics inside of a car in real time, and track the driver's vision, it BMW and Meta needed to work together to create a system that monitored both the driver's head movements and those of the car. If you wear a normal VR headset in a car (which is unbelievably dangerous, do NOT do that), the headset act wonky because it'd be not only picking up the motion of the the wearer but also the car. So BMW and Meta worked together to add the sensor data from the car's motion to the XR system, so it can work properly. It's how BMW recently created a VR game that could be played with a BMW, which obviously isn't ready for production.

MAIN WEEKLY EARNINGS

(Source: Nasdaq)

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
Salesforce, Inc.	CRM US	\$209.1 B	31-May-23	After-mkt	1.06	0.41
CrowdStrike Holdi	CRWD US	\$35.2 B	31-May-23	After-mkt	-0.10	-0.13
Broadcom Inc.	AVGO US	\$283.3 B	01-Jun-23	After-mkt	9.35	8.39
lululemon athletic	LULU US	\$43.8 B	01-Jun-23	After-mkt	1.97	1.48
Dell Technologies	DELL US	\$33.5 B	01-Jun-23	After-mkt	0.59	1.64

ECONOMIC CALENDAR

(Source: Forexlive)

- (26-05-23) GB- Retail Sales APR; Retail Sales ex-Fuel APR
- (26-05-23) US- Durable Goods Orders; Nondefense Capital Goods Orders ex Aircraft
- (30-05-23) CH- KOF Leading Indicator MAY; Gross Domestic Product Q1
- (30-05-23) EA- Consumer Confidence MAY; Business Climate MAY
- (30-05-23) CA- Current Account Q1
- (30-05-23) US- S&P/Chase-Shiller Home Price Indices YoY MAR
- (30-05-23) US- Housing Price Index MoM MAR; Consumer Confidence MAY

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