

Daily Market Brief

October 26 2023



FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

EURUSD

The EUR/USD pair remains on the defensive during the Asian session on Thursday and currently trades around the 1.0560 area, or a one-week low as traders keenly await the European Central Bank (ECB) rate decision.

GBPUSD

The GBP/USD pair extends this week's retracement slide from the 1.2300 mark and remains under some selling pressure for the third successive day on Thursday. The pair weakens further below the 1.2100 round figure, hitting over a three-week low during the Asian session, and is pressured by sustained US Dollar (USD) buying interest.

USDJPY

USD/JPY is on an upward ascent, reaching its yearly highs. As the Asian session unfolds on Thursday, the pair is trading at a higher level, hovering around 150.50. The USD/JPY pair gains strength propelled by improved US Treasury yields, complemented by a risk-averse sentiment stemming from geopolitical uncertainties. Israel's Prime Minister Benjamin Netanyahu's declaration of preparedness for a ground assault in Gaza, with the timing subject to consensus, adds to the prevailing risk-off sentiment influencing the pair.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.0542	1.0574	1.0541	-0.23	-0.38	-1.52
GBP-USD	1.2080	1.2114	1.2077	-0.26	-0.53	-0.02
USD-JPY	150.49	150.49	150.04	0.17	-0.46	-12.87
USD-CHF	0.8986	0.8986	0.8965	0.20	-0.80	2.88
Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	1985.72	1989.64	1979.72	0.30	0.57	8.87
Silver	22.93	23.00	22.83	0.29	-0.49	-4.27
Crude Oil	84.70	85.59	84.66	-0.81	-4.15	9.56
Bitcoin	34532.14	34836.69	34296.44	-0.43	15.00	108.79
Etherium	1798.64	1818.00	1780.23	0.60	10.32	49.97
Period	1 M	3 M	12 M			
USD LIBOR *	5.44	5.64	6.04			
EURIBOR	3.84	3.94	4.15			
SOFR	5.33	5.39	5.40			
Notes/Bonds	2 Y	10 Y	30 Y			
US	5.12	4.98	5.12			
BTP - BUND	0.91	2.03	2.27			
GILTS	4.84	4.61	5.06			

INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

In regular trading Wednesday, the S&P 500 fell 1.4% and ended the day below the 4,200 level that's widely watched by chart analysts and investors. That marked the first time the broader index closed below this threshold since May. The tech-heavy Nasdaq Composite, meanwhile, lost 2.4% and recorded its worst day since Feb.

EUROPE

European shares ended flat on Wednesday amid mixed earnings reports, as a slump in shares of French payment firm Worldline on a forecast cut was offset by a boost from Dassault Systems and Deutsche Bank's upbeat results.

ASIA

Asian markets demonstrated mixed responses today, as Australian, South Korean, and Japanese stocks fell, while Chinese and Hong Kong equity futures indicated early gains. This came in the wake of a slump in U.S. shares triggered by disappointing corporate earnings from Meta Inc, Alphabet Inc, and Texas Instruments.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	33035.93	-0.32	-1.73	-0.34	33064.00	-0.26
S&P	4186.77	-1.43	-2.03	9.04	4180.25	-0.69
Nasdaq	12821.22	-2.43	-1.86	22.50	14314.00	-1.13
DJ EuroStoxx50	4073.35	0.20	-1.35	7.37	4046.00	-1.00
FTSE 100	7414.34	0.33	-2.77	-0.50	7397.00	-0.58
CAC 40	6915.07	0.31	-2.25	6.82	6857.30	N/A
DAX	14892.18	0.08	-2.38	6.96	14840.00	-0.97
IBEX 35	8984.80	0.10	-4.08	9.18	9038.70	N/A
FTSE MIB	27428.60	-0.52	-2.39	15.70	27381.00	N/A
Nikkei	31269.92	-2.16	-5.32	17.24	30600.00	-2.08
Hang Seng	17085.33	-0.68	-2.85	-14.22	16983.00	-0.94
DFM General	3841.12	2.66	-7.53	15.14	N/A	N/A
MSCI Tadawoul	10504.76	1.20	-3.79	0.25	N/A	N/A
Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	71.95	74.95	67.50	-3.87	-4.19	18.14
Solidere B	72.15	74.95	65.00	-0.82	-0.48	19.55

MUST READ

(Source: Bloomberg/ Forexlive)

UAW and Ford reach agreement

The United Auto Workers union and Ford Motor have reached a tentative agreement that will end a nearly six-week strike at the automaker, the union announced Wednesday night. The tentative agreement, which was first reported earlier by CNBC, includes 25% pay increases over the terms of the agreement and will cumulatively raise the top wage to more than \$40 an hour, including an increase of 68% for starting wages to over \$28 an hour. The tentative deal still must be approved by local UAW leaders and then ratified by a simple majority of Ford's 57,000 union-represented workers. The union will hold informational meetings as well as an online briefing to discuss specifics of the agreement, which will be posted online with summaries. Shares of Ford were up roughly 2% during afterhours trading. The stock closed Wednesday at \$11.54 per share, up 1.3%. Shares are down less than 1% this year. The total economic loss from the auto workers' strike has reached \$9.3 billion, the Anderson Economic Group said earlier this week.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
Intel Corp	INTC US	\$141.76 B	26-Oct-23	Aft-mkt	0.21	0.59
Merck & Co Inc	MRK US	\$262.25 B	26-Oct-23	Pre-mkt	1.96	1.85
Baker Hughes Co	BKR US	\$35 B	26-Oct-23	Aft-mkt	0.39	0.26
Amazon Inc	MZN US	\$1.33 T	26-Oct-23	Aft-mkt	0.81	0.17
Exxon Mobil Corp	XOM US	\$429.54 B	27-Oct-23	Pre-mkt	2.36	4.45

ECONOMIC CALENDAR

(26-10-23) EA - ECB Main Refinancing Rate
(26-10-23) US - GDP Annualized QoQ / GDP Price Index / Durable Goods Orders
(26-10-23) US - Initial Jobs Claims / Continuing Claims / Pending Home Sales MoM
(27-10-23) JN - Tokyo CPI YoY
(27-10-23) IT - Consumer Confidence Index / Manufacturing Confidence
(27-10-23) US - Personal Income / Personal Spending / U. of Michigan Sentiment
(30-10-23) UK - Mortgage Approvals

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