

Daily Market Brief

December 26th 2023



FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

EURUSD

The EUR/USD is trading higher after an initial reversal following mixed US data. The pair remains steady at fresh four-month highs above 1.1010 at Friday's (US) session opening, with the Dollar weighed by the weak US Personal Consumption Expenditures (PCE) Prices Index and Personal Spending data. The Pair spiked lower immediately after the data release, as the better-than-expected US Durable Goods orders report provided an initial boost to the Dollar.

GBPUSD

The GBP/USD extends its recovery on Friday, supported by upbeat UK Retail Sales data for November. The Office for National Statistics (ONS) reported that households' retail spending surprisingly remained positive compared with the previous year, while market participants projected a sharp decline. Strong Retail Sales were boosted by a 2.8% increase in non-food retail stores as major discounts were offered amid the Black Friday Sale.

USDJPY

The Yen saw an early bump on Friday after Japanese National Consumer Price Index (CPI) Inflation printed more or less as-expected, with Core Japan CPI (headline CPI less fresh food prices) for the year through November meeting market forecasts of 2.5% versus the previous print of 2.9%.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.1025	1.1029	1.1010	0.15	0.40	2.99
GBP-USD	1.2705	1.2713	1.2688	0.12	-0.21	5.15
USD-JPY	142.22	142.37	142.10	-0.09	1.14	-7.80
USD-CHF	0.8545	0.8566	0.8543	-0.02	0.75	8.19
Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	2064.62	2065.10	2061.48	0.56	1.85	13.19
Silver	24.39	24.40	24.34	0.82	2.45	1.81
Crude Oil	73.73	73.94	73.45	0.23	1.25	-3.37
Bitcoin	42756.75	43740.99	42570.01	-1.78	-2.84	158.51
Etherium	2233.89	2275.62	2221.29	-1.68	-0.66	86.26
Period	1 M	3 M	12 M			
EURIBOR	3.87	3.93	3.58			
SOFR	5.36	5.35	4.80			
Notes/Bonds	2 Y	10 Y	30 Y			
US	4.33	3.88	4.03			
BTP - BUND	0.52	1.58	1.98			
GILTS	4.06	3.51	4.07			

INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

U.S. stocks gyrated to a mixed close on Friday as investors headed into the Christmas holiday weekend, having digested cooler-than-expected inflation data which firmed bets for Federal Reserve interest rate cuts in the new year. Nike dives after annual sales forecast cut.

EUROPE

European stocks closed with a whimper on Friday, as softer-than-expected U.S. inflation data offset losses in sportswear makers and China-exposed stocks ahead of the Christmas holiday weekend. Prosus, Ubisoft drop on China's curb on gaming spend.

ASIA

Asian stocks traded tentatively on Tuesday, while the dollar lurked near a five-month low as cooling U.S. inflation bolstered bets the Federal Reserve would cut interest rates soon.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	37385.97	-0.05	5.64	12.79	37784.00	0.12
S&P	4754.63	0.17	4.28	23.83	4811.75	0.14
Nasdaq	14992.97	0.19	5.21	43.25	17026.50	0.28
DJ EuroStoxx50	4521.47	-0.07	3.42	19.19	4557.00	#N/A N/A
FTSE 100	7697.51	0.04	2.80	3.30	7732.00	#N/A N/A
CAC 40	7568.82	-0.03	3.78	16.92	N/A Real Tim	N/A
DAX	16706.18	0.11	4.22	19.98	16891.00	#N/A N/A
IBEX 35	10111.90	0.08	1.74	22.88	N/A Real Tim	N/A
FTSE MIB	30353.29	0.26	3.13	28.04	N/A Real Tim	N/A
Nikkei	33305.85	0.16	-0.95	27.64	33220.00	0.06
Hang Seng	16340.41	-1.69	-6.94	-17.40	16353.00	0.00
DFM General	4018.14	0.23	0.89	20.73	N/A	N/A
MSCI Tadawoul	11813.09	1.05	6.52	12.74	N/A	N/A
Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	86.10	90.00	83.50	-4.17	14.72	41.38
Solidere B	86.35	89.00	83.00	-2.32	15.44	43.08

MUST READ

(Source: Bloomberg/ Forexlive)

Hedge funds bet most against Canadian dollar in almost five years

Speculators are ramping up their bearish wagers on Canada's dollar, lifting net short positions to the highest in nearly five years, according to a report from the Commodity Futures Trading Commission. Leveraged funds boosted their wager against the loonie to 51,971 contracts in the week ended Dec. 19, the highest since January 2019 and up from 37,707 contracts the week before, according to the data. "The Canadian dollar short base is still substantial as inflation remains stubborn and growth lackluster" said BirdEechtel global head offoreign exchange, at short the pro-cyclical G-10 commodity currencies all year, including the Australian dollar, Norwegian krone and the Canadian dollar.!" The loonie has lagged its Group-of-10 peers this quarter. The Canadian economy unexpectedly shrank in the third quarter and is on track to only narrowly avoid a second straight quarter of declines. Nonetheless, Bank of Canada Governor Tiff Macklem has said policymakers still need evidence of inflation easing to start thinking about rate reductions.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
Unifirst Corporati	UNF US	\$3.4 B	03-Jan-23	Pre-mkt	2.33	2.21
Walgreens Boots	WBA US	\$22.5 B	04-Jan-23	Pre-mkt	0.66	1.16
ConAgra Brands	CAG US	\$13.6 B	04-Jan-23	Pre-mkt	0.67	0.81
RPM Internationa	RPM US	\$14.3 B	04-Jan-23	Pre-mkt	1.23	1.10
Commercial Meta	CMC US	\$5.8 B	08-Jan-23	Pre-mkt	1.42	2.24

ECONOMIC CALENDAR

(26-12-23) US- Housing Price Index MoM OCT
(27-12-23) CH- ZEW Survey - Expectations DEC
(28-12-23) US- Pending Home Sales MoM NOV
(28-12-23) US- Initial Jobless Claims DEC
(29-12-23) US- Chicago Purchasing Manager's Index DEC
(29-12-23) CH- KOF Leading Indicator DEC
(29-12-23) US- CFTC NC Net Positions

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