

Daily Market Brief

March 27 2024



FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

EUR/USD

Spot prices, however, manage to hold above the 1.0800 mark during the Asian session, though seem vulnerable to slide further amid some follow-through USD buying. The DXY climbs back closer to a multi-week high touched last Friday. The outlook was reinforced by the slightly better-than-expected release of US Durable Goods Orders data on Tuesday, which might force the Fed to keep rates higher for longer amid still-sticky inflation.

GBP/USD

The GBP/USD pair edges lower to 1.2620 during the early Asian trading hours on Wednesday. Many Fed policymakers stick to their path of interest-rate cuts amid the bumpy road to inflation and expect to cut rates three times in 2024, which might weigh on the Greenback. On Thursday, the US and UK GDP data will be released.

USD/JPY

The Dollar edged higher against the Yen to near 4-month highs despite verbal warnings from Japanese officials. Japanese Finance Minister Shunichi Suzuki said that he would not rule out any measures to cope with a weakening currency. The Yen has weakened against the Dollar despite the Bank of Japan's ending eight years of negative interest rates.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.0829	1.0833	1.0821	-0.02	-0.85	-1.90
GBP-USD	1.2619	1.2635	1.2609	-0.07	-1.30	-0.88
USD-JPY	151.73	151.97	151.45	0.11	-0.31	-7.05
USD-CHF	0.9040	0.9044	0.9031	0.00	-1.89	-6.92
Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	2178.44	2181.79	2173.50	-0.02	-0.36	5.60
Silver	24.49	24.51	24.33	0.15	-4.27	2.92
Crude Oil	80.85	81.33	80.81	-0.94	-0.52	12.09
Bitcoin	70235.01	70723.41	69668.51	0.59	10.59	65.23
Etherium	3602.95	3627.03	3572.31	0.75	8.59	57.86
Period	1 M		3 M		12 M	
EURIBOR	3.84		3.89		3.66	
SOFR	5.33		5.31		5.01	
Notes/Bonds	2 Y		10 Y		30 Y	
US	4.59		4.23		4.39	
BTP - BUND	0.52		1.30		1.71	
GILTS	4.18		3.97		4.46	

INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

The S&P 500 fell for a third consecutive session on Tuesday. Krispy Kreme rallied 39% after the doughnut retailer announced it would expand its partnership with McDonald's. Economic data out Tuesday was mixed, showing stronger-than-expected orders for durable goods, but waning consumer confidence. Investors are largely lying in wait before the release of the latest personal consumption expenditure and labor market openings readings.

EUROPE

European markets closed higher Tuesday as investors continue to ponder last week's central bank policy decisions in Europe and the U.S. Retail stocks up 1.5% while mining stocks fell 0.5%. Maersk pared losses slightly, having dipped 3.6% earlier in the session, after confirming it had chartered the container ship which crashed into the Baltimore Bridge early in the morning.

ASIA

Most Asia-Pacific markets rose Tuesday, with South Korea's benchmark Kospi hitting two-year highs as investors digested a fresh batch of economic data. Japan's service producer price index for February coming in at 2.1%.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	39282.33	-0.08	0.80	4.23	39816.00	0.35
S&P	5203.58	-0.28	2.47	9.09	5281.50	0.32
Nasdaq	16315.70	-0.42	1.75	8.69	18505.50	0.31
DJ EuroStoxx50	5064.18	0.40	3.65	12.00	5025.00	-0.10
FTSE 100	7930.96	0.17	3.23	2.56	7958.50	-0.03
CAC 40	8184.75	0.41	2.97	8.51	8206.50	0.00
DAX	18384.35	0.67	4.72	9.75	18666.00	-0.05
IBEX 35	10991.50	0.36	8.68	8.80	10949.40	0.00
FTSE MIB	34688.17	0.14	6.06	14.29	34110.00	0.00
Nikkei	40762.73	0.90	3.88	21.81	40430.00	0.60
Hang Seng	16618.32	-0.71	-1.73	-3.21	16518.00	-0.87
DFM General	4246.23	0.41	-0.21	5.02	N/A	N/A
MSCI Tadawoul	12585.54	-0.56	-0.13	5.17	N/A	N/A

Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	74.30	74.80	74.00	0.41	0.61	-16.61
Solidere B	74.25	74.85	72.50	2.27	4.43	-17.45

MUST READ

(Source: Bloomberg/ Forexlive)

US stocks slip as traders struggle to restart rally ahead of new data

US stocks dropped again on Tuesday, losing steam late in the day after traders looked to restart a rally that stalled out last Friday. Momentum has carried equities higher for the better part of five months now, though investors appear to be taking a breather the last three days following the market's record-setting run last week after the Federal Reserve's dovish March meeting. Tuesday offered investors promising data, with February's US durable goods orders rising for the first time in three months. While that signals optimism among firms, consumer confidence also held steady, according to the Conference Board. This week, investors are gearing for the latest personal consumption expenditures report on Friday. Median forecasts of core PCE, the Federal Reserve's preferred inflation gauge, expect a 2.8% rise. While markets will be closed that day for Easter holidays, Friday will also feature comments from Fed Chairman Jerome Powell, potentially offering clues as to future monetary policy. That's after previous Fedpeak on Monday, with President Raphael Bostic noting expectations of one rate cut this year. Aside from Powell, Fed Gov. Christopher Waller and San Francisco Fed President Mary Daly will speak Wednesday and Friday.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
Cintas Corp	CTAS US	\$ 64.21B	27-Mar-24	Pre-mkt	3.57	3.14
Unifirst Corp	UNF US	\$ 3.13B	27-Mar-24	Pre-mkt	1.43	0.95
Jefferies Financial	JEF US	\$ 9.59B	27-Mar-24	Aft-mkt	0.75	0.54
Verint Systems	VRNT US	\$ 1.95B	27-Mar-24	Aft-mkt	0.97	0.75
Walgreens Boots	WBA US	\$ 17.69B	28-Mar-24	Pre-mkt	0.82	1.16

ECONOMIC CALENDAR

(27-03-24) US - MBA Mortgage Applications
(28-03-24) UK - GDP QoQ / YoY
(28-03-24) DE - Unemployment Change (000's)
(28-03-24) EA - M3 Money Supply YoY
(28-03-24) CA - GDP MoM / YoY
(28-03-24) US - Initial Jobless Claims
(28-03-24) US - U. of Michigan Sentiment

CONTACT

Banque BEMO sal
Asset Management Unit

Ashrafieh, Elias Sarkis Ave., BEMO Bldg, 4th Floor
P.O.Box 16-6353 Beirut, Lebanon
Tel: +961 1 325405/6/7/9

Disclaimer: This report is published for information purposes only. The information herein has been compiled from, or based upon sources we believe to be reliable, but we do not guarantee or accept responsibility for its completeness and accuracy. This document should not be construed as a solicitation to take part in any investment, or as constituting any representation or warranty on our part. The investment risks described herein are not purported to be exhaustive, any person considering an investment should seek independent advice on the suitability or otherwise of the particular investment. Investment, Capital Market and Treasury products are subject to investment risk, including possible loss of principal amount invested. Past performance is not indicative of future results: prices can go up or down. Investors investing in investments and/or treasury products denominated in foreign (non-local) currency should be aware of the risk of exchange rate fluctuations that may cause loss of principal when foreign currency is converted to the investor's home currency. Client understands that it is his/her responsibility to seek legal and/or tax advice regarding the legal and tax consequences of his/her investment transactions. The consequences of any action taken on the basis of information contained herein are solely the responsibility of the recipient.