

Daily Market Brief

February 29th 2024



FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

EURUSD

EUR/USD sagged early Friday after European sentiment indicators came in below expectations, and a lopsided print in US (GDP) figures kept the pair in familiar territory midweek. Thursday brings plenty of data for investors to chew on with German Retail Sales and (CPI) numbers, which will be closely followed by US (PCE) inflation. Friday will round out the week with pan-European (HICP) inflation, as well as the US ISM Manufacturing Purchasing Managers Index (PMI) for February.

GBPUSD

The GBP/USD pair builds on the previous day's goodish rebound from the weekly low and attracts some follow-through buying. The USD bulls prefer to wait on the sidelines and look to the release of the US (PCE) Price Index for cues about the Fed rate-cut path before placing fresh directional bets. In the meantime, expectations that the Fed will keep interest rates higher for longer in the wake of sticky inflation and a still-resilient US economy should act as a tailwind for the buck.

USDJPY

The Japanese Yen (JPY) catches aggressive bids during the Asian session on Thursday following a fresh intervention warning and hawkish comments by the (BoJ) board member Hajime Takata. Apart from this, a generally weaker tone around the equity markets provides an additional boost to the safe-haven JPY.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.0837	1.0841	1.0828	-0.01	0.13	-1.83
GBP-USD	1.2668	1.2671	1.2656	0.05	0.06	-0.49
USD-JPY	149.63	150.70	149.63	-0.71	0.60	-5.74
USD-CHF	0.8785	0.8795	0.8780	-0.03	0.19	-4.22
Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	2037.43	2037.57	2034.02	0.14	0.64	-1.24
Silver	22.56	22.56	22.43	0.45	-0.85	-5.20
Crude Oil	78.40	78.62	78.09	-0.18	-0.27	8.87
Bitcoin	62987.61	63649.53	60517.60	4.02	22.16	48.18
Etherium	3470.54	3492.54	3318.82	4.43	16.25	52.06
Period	1 M	3 M	12 M			
EURIBOR	3.86	3.95	3.74			
SOFR	5.33	5.34	5.09			
Notes/Bonds	2 Y	10 Y	30 Y			
US	4.65	4.27	4.41			
BTP - BUND	0.53	1.43	1.85			
GILTS	4.34	4.19	4.65			

INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

U.S. stocks closed slightly lower on Wednesday, a day ahead of a key inflation reading that could heavily influence expectations for the timing of an interest rate cut from the Federal Reserve. Applied Materials slips following SEC subpoena.

EUROPE

Europe's benchmark stock index fell on Wednesday as a raft of downbeat corporate earnings bruised sentiment, while investors globally braced for crucial euro zone and U.S. inflation data later in the week for fresh clues on interest rate outlooks.

ASIA

Most Asian stocks moved in a flat-to-low range on Thursday in anticipation of more cues on U.S. interest rates from key inflation data, while Chinese markets rebounded from heavy losses in the prior session.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	38949.02	-0.06	2.09	3.34	38967.00	-0.03
S&P	5069.76	-0.17	4.62	6.29	5080.00	-0.03
Nasdaq	15947.74	-0.55	5.17	6.24	17911.25	-0.08
DJ EuroStoxx50	4883.77	-0.04	5.06	8.01	4894.00	0.02
FTSE 100	7624.98	-0.76	-0.07	-1.40	7618.00	0.14
CAC 40	7954.39	0.08	3.89	5.45	7979.00	N/A
DAX	17601.22	0.25	4.13	5.07	17638.00	0.03
IBEX 35	10068.60	-0.45	-0.09	-0.33	10087.00	N/A
FTSE MIB	32617.96	-0.27	6.09	7.47	32745.00	N/A
Nikkei	39166.19	-0.11	7.94	17.04	39260.00	0.23
Hang Seng	16536.85	0.44	7.27	-2.56	16571.00	0.45
DFM General	4290.38	-0.14	2.77	5.53	N/A	N/A
MSCI Tadawoul	12611.42	0.08	6.91	5.38	N/A	N/A
Leb. Mkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	77.70	79.00	75.00	3.88	-2.08	-12.79
Solidere B	72.95	75.50	70.50	3.18	-8.64	-18.90

MUST READ

(Source: Bloomberg/ Forexlive)

Bitcoin hits \$60,000 as 'FOMO' rally gathers pace

Bitcoin hit \$60,000 on Wednesday for the first time in more than two years, as a flurry of capital into new U.S. spot bitcoin exchange traded products fuelled a 42% price rally in February, which would mark its largest monthly gain since December 2020. Bitcoin was last up 6% at \$60,131, its highest since November 2021, when it hit a record just below \$70,000. Bitcoin was also heading for its largest week-on-week gain in a year, up 18.5% since Feb. 21. Traders have poured into bitcoin ahead of April's halving event - a process designed to slow the release of the cryptocurrency. In addition, the prospect of the Federal Reserve delivering a series of rate cuts this year has fed investor appetite for higher-yielding or more volatile assets. "Bitcoin is being driven by the support of consistent inflows into the new spot ETFs and outlook for April's halving event and June's Fed interest rate cuts," Ben Laidler, global markets strategist at retail investment platform eToro, said. The value of all the bitcoin in circulation has topped \$2 trillion this month for the first time in two years, according to crypto platform CoinGecko, while the price of the token itself has doubled in just four months. The bigger bitcoin exchange-traded funds (ETFs) have seen a definite pickup in interest this week. The three most popular, run by Grayscale, Fidelity and BlackRock (IBIT.O), opens new tab, have seen trading volumes surge.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
Anheuser-Busch II	BUD US	\$109.5 B	29-Feb-24	Pre-mkt	0.76	0.98
Toronto Dominion	TD US	\$106.8 B	29-Feb-24	Pre-mkt	1.42	1.64
NetEase, Inc.	NTES US	\$72.9 B	29-Feb-24	Pre-mkt	1.62	0.88
Dell Technologie	DELL US	\$65.1 B	29-Feb-24	After-mkt	1.48	1.55
Autodesk	ADSK	\$54.9 B	29-Feb-24	After-mkt	1.30	1.26

ECONOMIC CALENDAR

(29-02-24) DE- Retail Sales JAN

(29-02-24) FR- Consumer Price Index FEB preliminar

(29-02-24) CH- Gross Domestic Product QoQ, YoY Q4

(29-02-24) DE- Unemployment Rate, Change FEB

(29-02-24) DE- Harmonized Index of Consumer Prices FEB preliminar

(29-02-24) US- Core Personal Consumption Expenditures JAN

(29-02-24) CA- Gross Domestic Product Annualized Q4

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.