

Daily Market Brief

August 29th, 2024



FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

EUR/USD

EUR/USD trimmed recent gains on Wednesday, stepping lower after clipping fresh highs for the year as broad-market anticipation of Fed rate cuts in September keeps broad-market risk appetite pinned to the ceiling. A breakdown in bullish market sentiment is giving the Greenback room to breathe. EU and US inflation prints due at the end of the week to dominate investor attention.

GBP/USD

GBP/USD is making a headway back toward the 29-month high set on Tuesday at 1.3266. The pair is helped by a renewed selling seen in the US Dollar even as risk-off flows dominate, in the aftermath of the disappointing guidance shared by the American AI titan, Nvidia. The focus now shifts to the US Q2 GDP data for fresh trading impetus in GBP/USD.

USD/JPY

The USD/JPY pair climbs to near 145.00 in Wednesday's North American session. The asset strengthens as the USD delivers a strong recovery move after posting a fresh annual low. The USD rebounds as upbeat US Consumer Confidence data for August diminished fears of a hard landing. Investors await the Tokyo CPI and the US core PCE inflation for July.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.1137	1.1140	1.1119	0.15	0.23	0.89
GBP-USD	1.3219	1.3227	1.3190	0.21	0.98	3.83
USD-JPY	144.56	144.86	144.22	-0.02	1.20	-2.44
USD-CHF	0.8403	0.8431	0.8400	-0.23	1.42	0.13
Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	2518.79	2520.15	2502.86	0.57	1.37	22.09
Silver	29.56	29.58	29.09	1.48	1.97	24.22
Crude Oil	74.74	74.84	74.22	0.30	2.37	5.30
Bitcoin	59461.30	59554.27	58856.86	0.19	-7.34	39.88
Etherium	2539.97	2558.00	2513.25	0.08	-9.05	11.29
Period	1 M	3 M	12 M			
EURIBOR	3.58	3.52	3.10			
SOFR	5.25	5.06	4.25			
US Fed Fund Rate (Indicator)	5.31					
Notes/Bonds	2 Y	10 Y	30 Y			
US	3.87	3.83	4.13			
BTP - BUND	0.51	1.39	1.80			
GILTS	4.11	4.00	4.52			

INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

Global equity markets eased while the U.S. dollar rebounded on Wednesday, and then chipmaker Nvidia's better-than-expected results failed to impress some investors and the company's stock fell 3% in extended trading. The July personal consumption expenditures price index is set to release on Friday.

EUROPE

European markets closed higher on Wednesday, maintaining positive momentum even as U.S. stocks pulled back ahead of highly anticipated earnings from AI beneficiary Nvidia. Data from the French statistics office showed that household confidence about the country's economy rose slightly in August.

ASIA

Asia-Pacific markets fell on Thursday, with tech stocks dragging South Korean and Taiwanese indexes after chipmaker Nvidia reported its second-quarter results. Investors in Asia will watch for any spillover to tech stocks in the region, which is home to companies along Nvidia's value chain like Taiwan Semiconductor Manufacturing Company and SK Hynix.

Index	Close	% Daily	% M	YTD	Futures	1W % Change
DJIA	41091.42	-0.39	1.36	9.03	41299.00	1.15
S&P	5592.18	-0.60	2.35	17.24	5596.00	0.04
Nasdaq	17556.03	-1.12	1.07	16.95	19321.75	-1.31
DJ EuroStoxx50	4913.03	0.29	2.03	8.66	4923.00	0.45
FTSE 100	8343.85	-0.02	0.62	7.90	8381.00	0.99
CAC 40	7577.67	0.16	1.80	0.46	7593.50	0.61
DAX	18782.29	0.54	2.52	12.12	18835.00	1.54
IBEX 35	11332.00	0.05	1.93	12.17	11375.10	1.63
FTSE MIB	33880.05	0.30	0.71	11.63	33977.00	1.69
Nikkei	38371.76	-0.13	-0.38	14.51	38330.00	0.26
Hang Seng	17692.45	0.03	2.66	3.81	17632.00	-0.17
DFM General	4324.20	-0.44	0.36	6.51	N/A	N/A
MSCI Tadawoul	12117.15	-0.53	-0.04	1.25	N/A	N/A

Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	81.50	81.55	81.35	-2.16	4.15	-8.53
Solidere B	80.50	80.50	80.50	-1.41	4.48	-10.51

MUST READ

(Source: Bloomberg/ Forexlive)

Switzerland to scrap ban on building nuclear power stations

The Swiss government said on Wednesday it plans to overturn a ban on building new power plants to strengthen local energy supply at a time of increased geopolitical tension. Energy Minister Albert Roesti said the government would submit a proposal to amend nuclear legislation by the end of 2024 so it can be debated in parliament next year. "Over the long term, new nuclear power plants are one possible way of making our supply more secure in a geopolitically uncertain time," Roesti told a press conference. Failure to retain the option could be seen as a betrayal by future generations, Roesti argued. Switzerland decided to phase out atomic energy after the 2011 nuclear accident in Fukushima, Japan. In 2017, Swiss voters approved a government plan that included a ban on building new nuclear power stations. At the end of 2019, the Muehleberg nuclear power station came off the grid. Three more nuclear stations remain. Roesti also reiterated the government felt it was meeting its commitments to tackling climate change, responding to a European court ruling in April that had ordered it to do more. KlimaSeniorinnen Schweiz, which with Greenpeace brought the case to the court, dismissed this and said that Switzerland was still failing to uphold its obligations.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
Dell Technologies	DELL US	\$ 78.91B	29-Aug-24	Aft-mkt	1.71	1.74
Marvell Technology	MRVL US	\$ 59.24B	29-Aug-24	Aft-mkt	0.29	0.33
Lululemon Athleti	LULU US	\$ 33.68B	29-Aug-24	Aft-mkt	2.96	2.68
Ulta Beauty Inc	ULTA US	\$ 17.50B	29-Aug-24	Pre-mkt	5.49	6.02
Best Buy Inc	BBY US	\$ 18.94B	29-Aug-24	Pre-mkt	1.16	1.22

ECONOMIC CALENDAR

(29-08-24) DE - CPI YoY / MoM
(29-08-24) US - GDP Annualized QoQ
(29-08-24) US - Personal Consumption
(30-08-24) JP - Tokyo CPI YoY / CPI Ex Fresh Good YoY
(30-08-24) JP - Industrial Production MoM
(30-08-24) FR - CPI MoM / YoY
(30-08-24) FR - GDP QoQ / YoY

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