

Daily Market Brief

November 29th 2023



FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

EUR/USD

EUR/USD extends its winning streak for the fifth consecutive session, trading around 1.1000 during the Asian session on Wednesday. The EUR/USD pair is benefiting from the softer US Dollar (USD), which is influenced by a less hawkish stance from the US Federal Reserve (Fed). Fed Governor Christopher Waller mentioned that the central bank may not maintain high policy rates.

GBP/USD

The GBP/USD pair scales higher for the fifth straight day – and advances to a fresh three-month peak during the Asian session on Wednesday. BoE Deputy Governor for Markets and Banking, Dave Ramsden said on Tuesday that monetary policy is likely to need to be restrictive for an extended period of time to get inflation back to the 2% target. This, in turn, is seen acting as a tailwind for the British Pound.

USD/JPY

The USD/JPY pair tumbles to the 147.00 mark during the early Asian trading hours on Wednesday. On Tuesday, Fed Governor Christopher Waller said he's confident that policy is in place now to bring inflation back under control. He added that the Fed won't need to hike rates further from here and might start cutting rates if inflation continues to ease over the next three to five months. The Greenback attracted some selling following these comments.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.1003	1.1017	1.0992	0.09	1.06	2.78
GBP-USD	1.2721	1.2733	1.2693	0.21	1.82	5.28
USD-JPY	147.04	147.55	146.67	-0.30	1.70	-10.83
USD-CHF	0.8763	0.8780	0.8757	-0.19	0.87	5.50
Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	2045.64	2052.03	2040.20	0.23	2.79	12.15
Silver	24.97	25.20	24.92	-0.23	5.66	4.23
Crude Oil	76.73	76.98	76.39	0.42	-1.34	-0.08
Bitcoin	38107.00	38158.25	37697.90	0.37	0.66	130.40
Etherium	2058.78	2060.71	2040.15	0.21	-1.40	71.66
Period	1 M	3 M	12 M			
USD LIBOR *	5.47	5.65	6.04			
EURIBOR	3.85	3.95	4.06			
SOFR	5.35	5.39	5.26			
Notes/Bonds	2 Y	10 Y	30 Y			
US	4.67	4.26	4.46			
BTP - BUND	0.58	1.76	2.04			
GILTS	4.63	4.17	4.65			

INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

Stocks rose Tuesday, resuming their November rally, as comments from Fed Governor Christopher Waller had expressed confidence earlier Tuesday that policy is "currently well positioned" to slow the economy and bring inflation back to 2%. Boeing helped lift the Dow on Tuesday, also Dow-member retailers Nike and Walmart gained U.S. Treasury yields dipped on Tuesday, with the yield on the 10-year note last down nearly 6 basis points at 4.33%.

EUROPE

European markets closed lower Tuesday, as the lackluster sentiment seen at the start of the week continued in the region and beyond. Consumer sentiment held steady in Germany this month, according to the monthly GfK survey, while figures from French statistics agency Insee showed households were slightly more optimistic.

ASIA

Asia-Pacific markets largely fell, led by losses in Hong Kong as investors assess comments from the U.S. Federal Reserve board members and digest Australia's October inflation figures. In Australia, the country's overall inflation rate for October slowed to 4.8%, its lowest rate since January 2022.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	35416.98	0.24	9.25	6.85	35509.00	0.18
S&P	4554.89	0.10	10.63	18.63	4571.00	0.17
Nasdaq	14281.76	0.29	12.96	36.45	16074.25	0.17
DJ EuroStoxx50	4348.02	-0.15	8.31	14.61	4356.00	0.05
FTSE 100	7455.24	-0.07	2.25	0.05	7462.50	-0.19
CAC 40	7250.13	-0.21	6.69	11.99	7257.50	N/A
DAX	15992.67	0.16	8.89	14.86	16050.00	0.15
IBEX 35	10003.40	0.68	12.17	21.56	10014.50	N/A
FTSE MIB	29376.74	0.12	7.66	23.92	29429.00	N/A
Nikkei	33321.22	-0.26	7.52	27.69	33270.00	-0.33
Hang Seng	17354.14	-2.38	-2.63	-14.36	17008.00	-1.91
DFM General	4008.61	0.19	6.07	20.39	N/A	N/A
MSCI Tadawoul	11100.92	0.18	5.90	5.94	N/A	N/A

Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	68.95	69.00	67.15	-1.01	0.00	13.22
Solidere B	66.00	66.00	66.00	-5.17	0.84	9.36

MUST READ

(Source: Bloomberg/ Forexlive)

Europe's energy crisis is over

From mid-2021 until late 2022, Europe and parts of Asia were gripped by an energy crisis, as oil, gas, coal and power prices surged, in some cases to record highs, forcing households and firms to cut use rapidly. Russia's invasion of Ukraine and sanctions imposed in response by the U.S. and its allies disrupted energy supplies that were already stretched by the rebound in industrial production after the coronavirus epidemic. But 18-24 months later, the acute phase of the adjustment is complete, with energy inventories comfortable and prices reverting towards long-term inflation-adjusted averages. There will undoubtedly be more shocks in future, but the disruption associated with the end of the pandemic and Russia's invasion of Ukraine is over. Markets have adapted. Europe's residual issue is that it has swapped relatively cheap Russian pipeline gas for relatively expensive LNG, putting its industrial competitiveness at risk, but that is a chronic problem rather than a crisis. In Europe, gas storage has been at record seasonal levels continuously since the end of the first quarter of 2023 following an unusually warm winter in 2022/23 and sharp falls in industrial gas consumption. An even more profound adjustment has occurred in coal, with demand falling sharply as gas supplies have become more plentiful while mine production has ramped up.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
Foot Locker Inc	FL US	\$2.20B	29-Nov-23	Pre-mkt	0.23	1.27
Salesforce Inc	CRM US	\$218.72B	29-Nov-23	Aft-mkt	2.06	0.68
Kroger Co	KR US	\$31.71B	30-Nov-23	Pre-mkt	0.91	0.88
Marvell Technolo	MRVL US	\$48.23B	30-Nov-23	Aft-mkt	0.40	0.57
Dell Technologies	DELL US	\$53.87B	30-Nov-23	Aft-mkt	1.46	2.01

ECONOMIC CALENDAR

(29-11-23) UK - Mortgage Approvals
(29-11-23) US - MBA Mortgage Applications
(29-11-23) DE - CPI MoM / YoY
(29-11-23) US - GDP Annualized QoQ
(30-11-23) JP - Industrial Production MoM
(30-11-23) FR - CPI YoY/ MoM
(30-11-23) DE - Unemployment Change (000's)

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.