

Daily Market Brief

March 30th 2023



FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Forexlive)

EURUSD

The EUR/USD pair edges lower during the Asian session on Thursday and moves away from a four-day peak touched the previous day, though the downside seems cushioned. The (USD) gains positive traction for the second successive day and turns out to be a key factor exerting some pressure on the major. The takeover of Silicon Valley Bank by First Citizens Bank & Trust Company, coupled with the fact that no further cracks have emerged in the banking sector over the past two weeks, seems to have calmed market nerves about the contagion risk.

GBPUSD

GBP/USD renews intraday low near 1.2295 as it stretches the previous day's U-turn from the highest levels since early February. The Cable pair's latest pullback could be linked to the chatters suggesting hardships for the (BoE) hawks, as well as the US Dollar's sustained rebound, amid a sluggish Asian session on Thursday.

USDJPY

USD/JPY prints mild losses around 132.60 heading into Thursday's European session. In doing so, the Yen pair struggles to respect the upbeat USD and Treasury bond yields amid mixed concerns about the (BoJ) next move. Also weighing on the major currency pair are the talks of Japanese credit rating and the Federal Reserve (Fed) officials' cautious optimism.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.0840	1.0849	1.0826	-0.04	0.08	1.26
GBP-USD	1.2316	1.2320	1.2294	0.02	0.24	1.93
USD-JPY	132.45	132.86	132.39	-0.31	-1.21	-1.00
USD-CHF	0.9184	0.9200	0.9180	-0.01	-0.21	0.66
Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	1963.96	1965.23	1955.48	-0.04	-1.48	7.67
Silver	23.47	23.48	23.24	0.60	1.60	-2.00
Crude Oil	72.96	73.09	72.61	-0.01	4.29	-9.31
Bitcoin	28599.52	29171.69	28138.16	0.73	4.44	72.92
Etherium	1795.96	1828.85	1767.76	-0.42	3.66	49.74
Period	1 M	3 M	12 M			
USD LIBOR *	4.86	5.16	5.19			
EURIBOR	2.90	2.99	3.54			
* USD LIBOR rates will be discontinued after June 30, 2023 and will be replaced by SOFR						
Notes/Bonds	2 Y	10 Y	30 Y			
US	4.09	3.56	3.75			
BTP - BUND	0.46	1.82	1.98			
GILTS	3.41	3.47	3.83			

INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

U.S. stocks rallied on Wednesday, with all three major indexes ending up at least 1% as upbeat outlooks from Micron Technology and other companies eased some worries about the health of the economy. Lululemon leaps on strong annual outlook.

EUROPE

European shares rose on Wednesday supported by gains in banking stocks, including UBS, which rose after naming a new CEO, while a strong outlook from chipmaker Infineon aided the mood. Britain's Next expects clothing inflation to ease.

ASIA

Hong Kong stocks retreated on Thursday, after seeing sharp gains in the previous session following Alibaba's restructuring plan, while shares in China inched lower ahead of manufacturing activity data due this week.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	32717.60	1.00	0.19	-1.30	32936.00	0.10
S&P	4027.81	1.42	1.45	4.90	4062.00	0.10
Nasdaq	11926.24	1.79	4.11	13.95	12967.75	0.03
DJ EuroStoxx50	4231.27	1.51	-0.17	11.54	4185.00	0.38
FTSE 100	7564.27	1.07	-3.96	1.51	7579.50	0.36
CAC 40	7186.99	1.39	-1.11	11.02	7200.50	N/A
DAX	15328.78	1.23	-0.24	10.09	15526.00	0.39
IBEX 35	9070.70	1.41	-3.45	10.23	9014.00	N/A
FTSE MIB	26739.01	1.56	-2.69	12.79	26271.00	N/A
Nikkei	27883.78	-0.82	0.77	5.99	27650.00	0.22
Hang Seng	20192.40	0.00	2.05	2.08	20145.00	-0.37
DFM General	3400.67	0.48	-1.08	1.94	N/A	N/A
MSCI Tadawoul	10503.18	0.34	3.96	0.24	N/A	N/A
Leb. Mkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	90.00	90.00	86.50	4.53	5.26	47.78
Solidere B	89.95	90.00	86.10	0.06	0.00	49.05

MUST READ

(Source: Bloomberg/ Forexlive)

Fed's Kashkari says stress in banking sector brings the U.S. closer to recession

"It definitely brings us closer right now" that was Minneapolis Fed President Neel Kashkari's response to a question, on whether the latest turmoil in the banking sector could bring the U.S. closer to a recession. "What's unclear for us is how much of these banking stresses are leading to a widespread credit crunch. And then that credit crunch, just as you said, would then slow down the economy" he said. Kashkari added that Fed officials are monitoring the impact from the fallout of the banking sector "very, very closely," and the current system has the "full support" of the Federal Reserve. "The banking system has a strong capital position and a lot of liquidity and has the full support of the Federal Reserve and other regulators standing behind it," he said. "The U.S. banking system is resilient, and it's sound," said Kashkari, when asked about the stability of the banking system's ability to control further risks seen in California and New York. Kashkari's words echoed that of officials at the Financial Stability Oversight Council, which held a closed meeting as Fed data showed U.S. customers withdrew nearly \$100 billion from banks for the week ended March 15, though this is a tiny fraction of the total. Separately, sources told that the movement of deposits from smaller banks to big institutions, such as JPMorgan Chase and Wells Fargo has slowed to a trickle in recent days. Kashkari described the development as "positive" and a sign of restored faith. "There are some concerning signs, the positive sign is deposit outflows seem to have slowed down. Some confidence is being restored among smaller and regional banks," he said.

MAIN WEEKLY EARNINGS

(Source: Nasdaq)

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
Acuity Brands	AYI US	\$6.1 B	04-Apr-23	Pre-mkt	2.28	2.35
Constellation Brar	STZ US	\$40.9 B	06-Apr-23	Pre-mkt	1.87	2.37
Levi Strauss & Co	LEVI US	\$6.9 B	06-Apr-23	After-mkt	0.32	0.46
Apogee Enterprise	APOG US	1.1 B	12-Apr-23	Pre-mkt	0.83	0.91
UnitedHealth Gro	UNH US	\$456.7 B	14-Apr-23	Pre-mkt	6.23	5.49

ECONOMIC CALENDER

(Source: Forexlive)

(30-03-23) JP- Foreign Investment in Japan Stocks MAR

(30-03-23) JP- Foreign Bond Investment MAR

(30-03-23) CH- KOF Leading Indicator MAR

(30-03-23) EA- Economic Bulletin; Consumer Confidence MAR; Business Climate MAR

(30-03-23) DE- Harmonized Index of Consumer Prices YoY MAR preliminar

(30-03-23) US- Gross Domestic Product Annualized Q4

(30-03-23) US- Personal Consumption Expenditures Prices QoQ Q4

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