

Daily Market Brief

May 31st 2024



FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

EURUSD

EUR/USD dipped to 1.0790 on Thursday before a broad-market recovery forced the Greenback lower across the board. US Gross Domestic Product (GDP) growth eased in-line with market expectations, and rate-cut-hopeful investors are taking a cautious step forward ahead of Friday's key data prints.

GBPUSD

The GBP/USD pair edges higher near 1.2730 during the early Asian session on Friday. The USD Index (DXY) faces some selling pressure, and this provides some support to the major pair. Investors will closely monitor the US Core Personal Consumption Expenditures Price Index(Core PCE) for April, which is due later on Friday.

USDJPY

The (JPY) gained ground after the Tokyo (CPI) data by the Statistics Bureau of Japan was released on Friday. The year-over-year CPI increased to 2.2% in May, up from the previous 26-month low of a 1.8% rise. The (BoJ) has maintained a deeply entrenched monetary policy stance. If nationwide inflation in Japan declines, it will prevent the central bank from raising interest rates. The significant rate differential between Japan and other countries continues to pressure the Japanese Yen, underpinning the USD/JPY pair.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.0820	1.0835	1.0811	-0.11	-0.25	-1.98
GBP-USD	1.2722	1.2736	1.2715	-0.08	-0.12	-0.07
USD-JPY	156.79	157.02	156.58	-0.02	0.13	-10.05
USD-CHF	0.9047	0.9047	0.9024	0.15	1.11	-7.00
Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	2343.02	2347.80	2337.12	0.00	0.39	13.57
Silver	31.05	31.23	30.78	-0.39	2.61	30.49
Crude Oil	77.70	77.91	77.47	-0.27	1.08	7.96
Bitcoin	68435.04	68705.51	68218.48	-0.05	-0.36	60.99
Etherium	3745.64	3768.37	3734.52	0.21	-2.94	64.12
Period	1 M		3 M		12 M	
EURIBOR	3.77		3.79		3.72	
SOFR	5.33		5.35		5.23	
US Fed Fund Index Benchmark			5.31			
Notes/Bonds	2 Y		10 Y		30 Y	
US	4.93		4.55		4.68	
BTP - BUND	0.47		1.30		1.68	
GILTS	4.47		4.35		4.81	

INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

U.S. stocks ended lower on Thursday, with the Nasdaq falling more than 1% and technology shares leading declines after a disappointing Salesforce forecast. Tesla up after report on push to roll out advanced FSD in China. Dell shares fall after earnings.

EUROPE

The European Union said on Thursday it had given final approval to roll out the remaining batch of tougher bank capital rules from January 2025, building on safeguards introduced after taxpayers had to bail out lenders in the global financial crisis over a decade ago.

ASIA

Asian stocks inched higher on Friday, while the dollar was steady, keeping the pressure on the yen, as investors await inflation readings from Europe and the U.S. that will likely dictate the path of interest rates globally.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	38111.48	-0.86	0.78	1.12	38203.00	-0.06
S&P	5235.48	-0.60	3.97	9.76	5242.50	-0.19
Nasdaq	16737.08	-1.08	6.89	11.50	18543.50	-0.32
DJ EuroStoxx50	4982.18	0.38	1.24	10.19	4994.00	-0.02
FTSE 100	8231.05	0.59	1.07	6.44	8243.00	-0.01
CAC 40	7978.51	0.55	-0.08	5.77	7979.00	N/A
DAX	18496.79	0.13	3.15	10.42	18535.00	-0.18
IBEX 35	11338.20	1.73	4.46	12.24	11362.60	N/A
FTSE MIB	34447.57	0.87	2.08	13.50	34536.00	N/A
Nikkei	38054.13	1.09	0.17	14.96	38480.00	1.24
Hang Seng	18230.19	0.74	3.39	7.73	18264.00	0.00
DFM General	3971.01	0.28	-4.45	-2.19	N/A	N/A
MSCI Tadawoul	11503.49	-1.65	-7.19	-3.88	N/A	N/A
Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	69.00	70.00	68.70	-0.72	-1.43	-22.56
Solidere B	69.05	69.05	69.05	0.00	-1.36	-23.24

MUST READ

(Source: Bloomberg/ Forexlive)

Selling Out

Nelson Peltz has reportedly sold his entire stake in Walt Disney, making about \$1B on the position, just weeks after the activist investor lost the most expensive proxy contest ever. Disney's proposed slate of directors was re-elected to the board at its annual meeting in April, beating a pair of rival slates from Peltz's Trian Fund Management and Blackwells Capital. "While we are disappointed with the outcome... We are proud of the impact we have had in refocusing this Company on value creation and good governance," Trian had said after the vote. Disney shares are up 12% YTD, compared to the 10% return of the S&P 500.

Still Searching

Google has confirmed to The Verge that the 2,500 leaked internal documents with details on data tracked by the search giant are authentic. The files contain info on Google's secret algorithm for ranking search results, which - along with its testimony in the DOJ antitrust case - shed more light on the kind of data the leading search engine collects and uses. "We would caution against making inaccurate assumptions about Search based on out-of-context, outdated, or incomplete information," Google spokesperson Davis Thompson noted in a statement.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
BRP Inc.	DOOO US	\$4.8 B	31-May-24	Pre-mkt	0.65	1.76
Mesa Laboratorie	MLAB US	\$63.2 M	31-May-24	Pre-mkt	1.77	1.46
Genesco Inc.	GCO US	\$309.6 M	31-May-24	Pre-mkt	-2.70	-1.59
X Financial	XYF US	\$190.2 M	31-May-24	Pre-mkt	N/A	0.87
Crowdstrike Holdi	CRWD US	\$84.5 B	04-Jun-24	After-mkt	0.21	0.03

ECONOMIC CALENDAR

(31-05-24) JP- Retail Trade YoY APR
(31-05-24) DE- Retail Sales APR
(31-05-24) CH- Real Retail Sales YoY APR
(31-05-24) FR- Consumer Price Index YoY MAY preliminar
(31-05-24) EA- Harmonized Index of Consumer Prices MAY preliminar
(31-05-24) US- Personal Consumption Expenditure - Price Index APR
(31-05-24) CA- Gross Domestic Product Annualized Q1

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