

Daily Market Brief

October 31 2023



FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

EURUSD

EUR/USD moves downward after recent gains, hovering below 1.0600 during the Asian session on Tuesday. The pair could receive support near the psychological level at 1.0550, followed by the previous week's low at 1.0521. A firm break below the latter could open the doors for the EUR/USD pair to navigate the area around the key level at 1.0500.

GBPUSD

The GBP/USD pair edges lower during the Asian session on Tuesday and reverses a part of the previous day's goodish move up of over 85 basis points from sub-1.2100 levels. Spot prices currently trade around the 1.2155 region, down just over 0.10% for the day and well within a familiar range held over the past week or so.

USDJPY

The USD/JPY pair regains positive traction during the Asian session on Tuesday and snaps a two-day losing streak to the 148.80 area, or a two-week low touched the previous day. The buying interest picks up pace after the Bank of Japan (BoJ) announced its policy decision, pushing spot prices to the 150.00 psychological mark, or a fresh daily high in the last hour.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.0603	1.0619	1.0591	-0.11	0.12	-0.95
GBP-USD	1.2147	1.2170	1.2137	-0.19	-0.11	0.53
USD-JPY	150.23	150.27	149.03	0.75	-0.21	-12.72
USD-CHF	0.9019	0.9032	0.9006	-0.01	-0.96	2.51
Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	1993.57	1997.36	1990.75	-0.13	1.15	9.30
Silver	23.12	23.34	23.09	-0.92	0.90	-3.48
Crude Oil	82.87	82.93	82.29	0.68	-1.04	7.19
Bitcoin	34278.27	34612.63	34186.94	-0.47	0.25	107.25
Etherium	1800.70	1820.04	1794.01	-0.04	0.12	50.14
Period	1 M	3 M	12 M			
USD LIBOR *	5.44	5.64	6.04			
EURIBOR	3.87	3.95	4.10			
SOFR	5.32	5.38	5.36			
Notes/Bonds	2 Y	10 Y	30 Y			
US	5.03	4.88	5.04			
BTP - BUND	0.82	1.92	2.18			
GILTS	4.78	4.56	5.03			

INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

US stocks rallied on Monday after a bruising sell-off as investors looked ahead to a big week of events, with the Federal Reserve's latest policy decision and earnings from Apple (AAPL) on the calendar. Eyes are now on the US central bank and Apple, the biggest company on the S&P 500, to lift spirits after a tough few months for the stock market. Also closely watched is the US jobs report for October, due Friday.

EUROPE

European stock markets closed higher on Monday despite ongoing volatility in the Middle East, with investors monitoring economic data from Germany and U.S. market action. The pan-European Stoxx 600 ended 0.4% higher, with most sectors in the green as healthcare stocks led gains.

ASIA

Japan stocks trimmed losses after the Bank of Japan's monetary policy decision, while other Asia-Pacific markets fell as manufacturing activity unexpectedly contracted in China. China manufacturing purchasing manager's index data for October came in at 49.5 against a Reuters poll expectation of 50.2. A PMI reading below 50 signifies a contraction.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	32928.96	1.58	-1.73	-0.66	32983.00	-0.13
S&P	4166.82	1.20	-2.83	8.53	4173.75	-0.32
Nasdaq	12789.48	1.16	-3.25	22.19	14344.25	-0.54
DJ EuroStoxx50	4028.32	0.35	-3.51	6.19	4034.00	-0.12
FTSE 100	7327.39	0.50	-3.69	-1.67	7335.00	-0.08
CAC 40	6825.07	0.44	-4.34	5.43	N/A Real Tim	N/A
DAX	14716.54	0.20	-4.35	5.70	14779.00	-0.05
IBEX 35	9013.90	1.07	-4.39	9.54	N/A Real Tim	N/A
FTSE MIB	27339.91	0.19	-3.20	15.32	27256.00	N/A
Nikkei	30858.85	0.53	-3.14	18.26	30810.00	0.36
Hang Seng	17406.36	-1.86	-4.08	-13.64	17333.00	0.00
DFM General	3838.76	0.66	-7.19	15.83	N/A	N/A
MSCI Tadawoul	10535.87	0.51	-4.70	0.55	N/A	N/A

Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	68.00	#N/A N/A	#N/A N/A	0.00	-9.27	11.66
Solidere B	69.25	#N/A N/A	#N/A N/A	0.00	-5.07	14.75

MUST READ

(Source: Bloomberg/ Forexlive)

HSBC revenues rise 235%

HSBC's profit after tax came in at \$6.26 billion in the three months ended September, jumping 235% compared to the \$2.66 billion in the same period last year. Europe largest bank by assets also saw profit before tax for the quarter rise by \$4.5 billion to \$7.7 billion, mainly due to a higher interest rate environment. However, the numbers missed expectations by economists, who were forecasting a third quarter profit after tax figure of \$6.42 billion and profit before tax of \$8.1 billion. HSBC said the increase was in part due to a \$2.3 billion impairment in the third quarter of 2022 relating to the planned sale of its retail banking operations in France. Of that, \$2.1 billion was reversed in the first quarter of 2023 as it became less certain that the transaction would be completed. Revenue rose to \$7.71 billion in the third quarter, up from \$3.23 billion a year ago. HSBC also attributed this to the higher interest rate environment, saying that it has supported growth in net interest income in all of its global businesses. In light of the results, the bank's board approved a third interim dividend of 10 cents per share. HSBC also said it will initiate a further share buy-back of up to \$3 billion, which is expected to "commence shortly" and be completed by its full-year results announcement on Feb. 21, 2024.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
Fannie Mae	FNMA US	\$3.97 B	31-Oct-23	Pre-mkt	0.60	0.41
Pfizer Inc	PFE US	\$170 B	31-Oct-23	Pre-mkt	-0.33	1.78
Advanced Micro I	AMD US	\$155.8 B	31-Oct-23	Aft-mkt	0.68	0.67
Caterpillar Inc	CAT US	\$121.7 B	31-Oct-23	Pre-mkt	4.77	3.95
Airbnb Inc	ABNB US	\$73.85 B	01-Nov-23	Aft-mkt	2.08	1.79

ECONOMIC CALENDAR

(31-10-23) JP - Jobless Rate
(31-10-23) FR - GDP YoY / QoQ CPI YoY/ MoM
(31-10-23) EA - CPI MoM / CPI core YoY
(31-10-23) CA - GDP MoM / YoY
(31-10-23) US - MNI Chicago PMI
(01-11-23) GB - Nationwide House PX MoM
(01-11-23) US - MBA Mortgage Applications / ADP Employment change

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