

## FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

### EUR/USD

The EUR/USD pair trades on a flat note around 1.0735 on Friday during the early Asian trading hours. The upside of the pair might be limited amid the uncertainty surrounding European parliamentary elections. Investors will take more cues from the ECB's Christine Lagarde speech and the preliminary US Michigan Consumer Sentiment report for June. The political uncertainty in Europe and the ECB's rate cuts weigh on the Euro. The US Fed signaled that it will cut its key interest rate just once by 25 bps this year.

### GBP/USD

The GBP/USD pair edges lower near 1.2760 after three consecutive sessions of gain during the early Asian session on Friday. The recovery of the DXY above the 105.00 barrier weighs on the major pair. Later on Friday, the preliminary US Michigan Consumer Sentiment report is due, followed by a speech by Fed Bank of Chicago President Austan Goolsbee.

### USD/JPY

The USD/JPY recovered some ground during the North American session yet is virtually unchanged, up by a minimal 0.08%, weighed by a fall in US Treasury bond yields. US economic data from the US shows that inflation is getting lower, yet the Federal Reserve remains skeptical that the battle against higher prices isn't finished. The pair trades at 156.87 at the time of writing.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.0731	1.0745	1.0730	-0.06	-0.65	-2.79
GBP-USD	1.2744	1.2764	1.2744	-0.14	0.20	0.10
USD-JPY	158.17	158.19	156.86	0.72	-0.90	-10.83
USD-CHF	0.8943	0.8950	0.8932	0.04	0.26	-5.92
Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	2310.05	2311.63	2301.61	0.25	0.71	11.98
Silver	29.04	29.13	28.83	0.26	-0.38	22.05
Crude Oil	78.16	78.29	77.73	-0.59	3.48	8.60
Bitcoin	67050.95	67165.01	66466.07	0.56	-3.78	57.74
Etherium	3520.83	3526.82	3457.12	1.26	-4.83	54.27
Period	1 M	3 M	12 M			
EURIBOR	3.63	3.72	3.72			
SOFR	5.33	5.34	5.05			
US Fed Fund Rate (Indicator)	5.31					
Notes/Bonds	2 Y	10 Y	30 Y			
US	4.72	4.27	4.41			
BTP - BUND	0.66	1.47	1.82			
GILTS	4.22	4.12	4.61			

## INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

### UNITED STATES OF AMERICA

The S&P 500 rose on Thursday to post a fourth consecutive record close as traders weighed more data showing inflation pressures may be easing. May's PPI fell 0.2% from the prior month. Economists polled by Dow Jones expected an increase of 0.1%. That report comes a day after the Bureau of Labor Statistics posted CPI data for May that came in below the Street's expectations.

### EUROPE

All sectors finished in the red, with autos stocks leading losses, trading down 2.3%, after hitting the lowest level in four months earlier in the session. It came as the market digested a flurry of news from the sector this week, most notably the European Union's plan to place higher tariffs on Chinese electric vehicle makers and a U.K. probe into emissions claims.

### ASIA

Asian stocks fell on Friday as investors pondered the outlook for US rates after the Federal Reserve tempered its rate-cut views even as inflation came in softer than expected, while the yen was shaky before the BOJ policy meeting.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	38647.10	-0.17	-2.30	2.54	38669.00	-0.02
S&P	5433.74	0.23	3.57	13.92	5441.75	0.06
Nasdaq	17667.56	0.34	7.00	17.69	19644.00	0.22
DJ EuroStoxx50	4935.50	-1.97	-2.85	9.16	4953.00	0.41
FTSE 100	8163.67	-0.63	-3.14	5.57	8198.00	0.41
CAC 40	7708.02	-1.99	-6.29	2.19	7705.50	0.00
DAX	18265.68	-1.96	-2.41	9.04	18338.00	0.34
IBEX 35	11066.10	-1.59	-1.54	9.54	11063.20	0.00
FTSE MIB	33609.85	-2.18	-4.39	10.73	33635.00	0.00
Nikkei	38720.47	0.39	1.34	16.15	38720.00	0.00
Hang Seng	18112.63	-0.47	-5.48	5.75	18014.00	-0.41
DFM General	3980.11	0.02	-3.79	-1.96	N/A	N/A
MSCI Tadawoul	11498.93	-1.31	-5.13	-3.91	N/A	N/A

Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	69.55	70.00	69.50	-0.50	-0.22	-21.94
Solidere B	69.05	69.05	69.05	-0.22	-1.00	-23.24

## MUST READ

(Source: Bloomberg/Forexlive)

### China hits back at EU tariff hike on electric vehicles

China has decried an EU decision to hike tariffs on Chinese electric vehicles as "a blatant act of protectionism". The European Commission, the EU's executive arm, said that starting from early July, it would impose provisional tariffs that would slap Chinese automakers with additional duties as high as 38%, up from the current level of 10%, if talks with China do not lead to an effective solution. Chinese Ministry of Commerce spokesperson He Yadong blasted the move on Thursday. "It will not only damage the legitimate rights and interests of China's electric vehicle industry, disrupt the mutually beneficial cooperation between China and Europe in new energy vehicles, but also will distort the global automotive industry and supply chains, including those of the EU," he said at a weekly press briefing. "It is a blatant act of protectionism," he added. The EU Commission said an investigation it opened last year found that the Chinese electric vehicle industry "benefits from unfair subsidisation, which is causing a threat of economic injury to EU (battery electric vehicle) producers." The proposed extra tariffs would vary by company. BYD would face an additional 17.4% charge; Geely, which owns Sweden's Volvo, would be hit with a further 20%, while SAIC it would face a rate of 38.1%. Analysts have warned that there is a serious risk of a trade war, which would raise prices for consumers and hurting exporters and their workers in both Europe and China — even as each serves as a major market for the other. China fired a warning shot in January, launching an anti-dumping investigation into European brandy exports including French cognac. France was a leading supporter of the EU investigation.

## MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
GMS INC	GMS US	\$ 3.64B	20-Jun-24	Pre-mkt	2.04	2.11
Accenture PLC	A CN US	\$ 177.70B	20-Jun-24	Pre-mkt	3.15	3.19
Commercial Meta	CMC US	\$ 5.92B	20-Jun-24	Pre-mkt	1.11	2.02
Kroger Co	KR US	\$ 36.46B	20-Jun-24	Pre-mkt	1.34	1.51
Jabil Inc	JBL US	\$ 14.60B	20-Jun-24	Pre-mkt	1.85	1.99

## ECONOMIC CALENDAR

(14-06-24) FR - CPI MoM / YoY  
 (14-06-24) US - University of Michigan Sentiment  
 (17-06-24) JP - Core Machines Orders MoM  
 (17-06-24) US - Empire Manufacturing  
 (18-06-24) EA - CPI MoM / YoY  
 (18-06-24) US - Industrial Production MoM  
 (19-06-24) UK - CPI Core YoY / MoM / YoY

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