

Daily Market Brief

September 19th 2023



FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Forexlive)

EURUSD

EUR/USD snaps the two-day winning streak, trading lower around 1.0680 during the Asian session on Tuesday. The pair is facing downward pressure due to the market caution ahead of the US Federal Reserve's (Fed) policy decision. The (HICP) and Core HICP from the Eurozone is likely to be released later in the day. Investors will observe these datasets, seeking further impetus on the economic situation in the bloc.

GBPUSD

The GBP/USD continues with its relative underperformance in the wake of diminishing odds for more aggressive policy tightening by the (BoE), though subdued (USD) demand lends some support to the pair. BoE Governor had told lawmakers recently that the central bank is now "much nearer" to ending its run of interest rate increases. This, along with reviving recession fears and signs that the UK labour market is cooling, might put pressure on the BoE to pause its rate-hiking cycle.

USDJPY

The USD/JPY recovers from the losses registered on the previous day, trading higher around 147.70 during the Asian session on Tuesday. The pair is experiencing upward support ahead of the interest rate decisions from the US Federal Reserve (Fed) and the Bank of Japan (BoE).

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.0680	1.0697	1.0676	-0.11	-0.69	-0.23
GBP-USD	1.2379	1.2392	1.2372	-0.03	-0.89	2.45
USD-JPY	147.80	147.80	147.51	0.13	-0.49	-11.29
USD-CHF	0.8977	0.8979	0.8967	0.07	-0.71	2.99
Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	1931.02	1934.65	1930.38	-0.15	0.91	5.87
Silver	23.18	23.30	23.16	-0.29	0.48	-3.25
Crude Oil	92.49	92.55	92.18	1.10	4.11	18.09
Bitcoin	26803.63	26885.83	26682.07	0.11	0.85	62.06
Etherium	1636.25	1642.49	1627.32	-0.09	0.48	36.43
Period	1 M	3 M	12 M			
USD LIBOR *	5.44	5.66	6.04			
EURIBOR	3.76	3.88	4.17			
SOFR	5.32	5.40	5.44			
Notes/Bonds	2 Y	10 Y	30 Y			
US	5.05	4.31	4.39			
BTP - BUND	0.67	1.80	2.15			
GILTS	5.03	4.39	4.73			

INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

Wall Street closed little changed on Monday as market participants looked ahead to the U.S. Federal Reserve's expected decision to leave key interest rates unchanged on Wednesday.

EUROPE

European shares fell on Monday as French bank Societe Generale's shares slumped after a keenly awaited strategic plan from its new CEO disappointed investors, while caution reigned ahead of a slew of central bank meetings this week.

ASIA

Japan's Nikkei share average fell more than 1% on Tuesday, with chip-related stocks leading the decline, as caution set in ahead of central bank meetings in the United states and Japan.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	34624.30	0.02	0.36	4.46	34913.00	-0.05
S&P	4453.53	0.07	1.92	15.99	4497.50	-0.08
Nasdaq	13710.24	0.01	3.16	30.99	15389.25	-0.15
DJ EuroStoxx50	4245.88	-1.14	0.78	11.92	4269.00	-0.09
FTSE 100	7652.94	-0.76	5.38	2.70	7712.50	0.02
CAC 40	7276.14	-1.39	1.56	12.39	7269.50	N/A
DAX	15727.12	-1.05	0.98	12.95	15857.00	-0.12
IBEX 35	9482.10	-0.71	2.31	15.23	9492.00	N/A
FTSE MIB	28585.86	-1.07	2.97	20.58	28635.00	N/A
Nikkei	33533.09	-1.05	5.50	27.16	32960.00	-0.93
Hang Seng	17930.55	-0.20	-0.31	-9.54	17915.00	-0.19
DFM General	4048.42	0.12	-0.05	21.35	N/A	N/A
MSCI Tadawoul	11036.04	-0.61	-3.63	5.32	N/A	N/A
Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	77.20	78.80	75.50	0.32	1.45	26.77
Solidere B	78.15	78.80	78.00	0.97	3.44	29.49

MUST READ

(Source: Bloomberg/ Forexlive)

The Week Ahead

The spotlight will be on the Federal Reserve, Bank of England, and Bank of Japan next week amid a new ratcheting up of inflation worries. Rate decisions are also in due from the central banks of Norway, Sweden, and Switzerland. In the U.S., the Fed's FOMC is not expected to raise rate but could tilt a little more to the hawkish side after a stronger-than-anticipated inflation report for August. Economic reports due during the week include updates on housing starts, crude oil inventories, and initial jobless claims. The week could also see some extra drama on the political front as the countdown continues toward a potential government shutdown on October 1. Investors will also have their eyes on the battle between the United Auto Workers union and Detroit automakers, which could start to have ramifications for dozens of stocks. Weighing in on the auto sector disruption, Seeking Alpha analyst Doron Levin called the UAW strike a self-inflicted wound for a declining Detroit-based auto industry, while other analysts have said Tesla looks like a clear beneficiary from the labor squabble.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
Autozone, Inc.	AZO US	\$47.3 B	19-Sep-23	Pre-mkt	44.69	40.51
Endava pc	DAVA US	\$2.9 B	19-Sep-23	Pre-mkt	0.35	0.59
Apogee Entrepris	APOG US	\$1.1 B	19-Sep-23	Pre-mkt	1.01	1.06
Steelcase, Inc.	SCS US	\$982.3 M	19-Sep-23	After-mkt	0.17	0.21
FedEx Corporatio	FDX US	\$63.1 B	20-Sep-23	After-mkt	3.68	3.44

ECONOMIC CALENDAR

(19-09-23) EA- Harmonized Index of Consumer Prices AUG
(19-09-23) US- Housing Starts AUG; Building Permits AUG
(19-09-23) CA- Consumer Price Index AUG; BoC Consumer Price Index Core AUG
(20-09-23) DE- Producer Price Index AUG
(20-09-23) GB- PPI Core Output AUG; Consumer Price Index AUG
(20-09-23) US- Interest Rate Projections; FOMC Economic Projections
(20-09-23) US- Fed's Monetary Policy Statement; Fed Interest Rate Decision

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