

FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Forexlive)

EURUSD

The EUR/USD slid further down the charts on Thursday, testing into new six-month lows near 1.0617 before recovering from the bottom to close out the day near 1.0660 and now heads into the Friday market session with the Greenback (USD) taking a step back. The Fed held benchmark interest rates at 5.5% as markets broadly expected on Wednesday, but the US central bank is seeing interest rates holding higher for longer than previously anticipated, and the Fed now only expects interest rates to cut by half a percent by the end of 2024.

GBPUSD

GBP/USD continues with its relative underperformance in the wake of the (BoE) surprise decision to leave interest rates unchanged on Thursday. In contrast, the (Fed) hawkish outlook, signalling the possibility of at least one more rate hike by the end of this year, assists the (USD) to hold steady just below a six-month peak. This, along with a generally softer tone around the equity markets, is seen benefitting the safe-haven Greenback and exerting downward pressure on the pair.

USDJPY

The USD/JPY pair regains positive traction during the Asian session on Friday and the buying interest picks up pace after the Bank of Japan (BoJ) announced its policy decision.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.0654	1.0664	1.0641	-0.07	-0.03	-0.48
GBP-USD	1.2284	1.2304	1.2273	-0.11	-0.80	1.66
USD-JPY	148.04	148.26	147.51	0.30	-0.13	-11.43
USD-CHF	0.9045	0.9053	0.9026	0.00	-0.84	2.21
Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	1924.96	1925.58	1919.69	0.26	0.05	5.53
Silver	23.59	23.59	23.39	0.79	2.39	-1.54
Crude Oil	90.27	90.41	89.54	0.71	0.28	16.01
Bitcoin	26645.14	26665.85	26488.80	0.16	0.75	61.10
Etherium	1593.22	1595.78	1577.29	0.33	-1.52	32.84
Period	1 M	3 M	12 M			
USD LIBOR *	5.44	5.66	6.04			
EURIBOR	3.83	3.93	4.22			
SOFR	5.32	5.40	5.47			
Notes/Bonds	2 Y	10 Y	30 Y			
US	5.14	4.49	4.58			
BTP - BUND	0.70	1.80	2.14			
GILTS	4.87	4.31	4.71			

INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

Wall Street tanked in a broad sell-off on Thursday, as investor risk appetite was dashed by worries that the Federal Reserve's restrictive monetary policy will remain in place for longer than anticipated. FedEx gains on surprise profit beat.

EUROPE

European shares fell over 1% in a broad-based selloff on Thursday, pressured by rising bond yields as major central banks across the world hinted at keeping borrowing costs elevated for longer. Swiss National Bank leaves rates unchanged. Ocado slides after Exane downgrade.

ASIA

Japan's Nikkei share average cut early losses after the Bank of Japan kept stimulus unchanged on Friday and signalled it was in no rush to tighten policy.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	34070.42	-1.08	-0.64	2.79	34404.00	0.21
S&P	4330.00	-1.64	-1.31	12.78	4381.75	0.24
Nasdaq	13223.99	-1.82	-2.09	26.35	14908.25	0.32
DJ EuroStoxx50	4212.59	-1.48	-1.12	11.04	4232.00	-0.24
FTSE 100	7678.62	-0.69	5.61	3.04	7718.50	-0.23
CAC 40	7213.90	-1.59	-0.37	11.43	7237.00	N/A
DAX	15571.86	-1.33	-0.85	11.84	15670.00	-0.32
IBEX 35	9548.90	-1.00	2.52	16.04	9559.10	N/A
FTSE MIB	28708.55	-1.78	1.93	21.10	28785.00	N/A
Nikkei	32571.03	-0.45	1.78	24.26	32220.00	-0.62
Hang Seng	17655.41	1.06	0.29	-9.80	17833.00	1.06
DFM General	4179.68	1.00	2.73	25.29	N/A	N/A
MSCI Tadawoul	10949.42	-1.01	-3.76	4.49	N/A	N/A
Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	74.25	75.95	73.10	-1.13	-2.11	21.92
Solidere B	76.90	77.95	73.50	-0.32	2.53	27.42

MUST READ

(Source: Bloomberg/ Forexlive)

House In Order?

Housing affordability is becoming a problem in the U.S. and is transforming the market in ways that could be difficult for homebuyers and homebuilders alike. Tuesday's economic calendar saw housing starts plunge by 11.3% month over month in August to 1.283M, marking the lowest level since June 2020. On a Y/Y basis, housing starts fell a further 14.8%, and well below the 1.435M units expected by economists. Quote: "High mortgage rates are clearly taking a toll on builder confidence and consumer demand, as a growing number of buyers are electing to defer a home purchase until long-term rates move lower," Robert Dietz, said earlier this week. The statement came after homebuilder sentiment dropped for the second consecutive month and fell below the key break-even measure of 50. The latest data may not only spell trouble for current housing dynamics, but future supply as well. Many are sitting on mortgages taken out during the beginning of the COVID pandemic, when rates were at 3% or under, and are not in a rush to exit their current properties. At the same time, builders are concerned about constructing new houses that buyers may not be able to afford, which has pushed many of them to the sidelines. Student loan repayments are also about to restart, which can be another big setback for millennials who are looking to break into the market.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
Micron Technolog	MU US	\$77.3 B	27-Sep-23	After-mkt	-1.33	1.36
Paychex, Inc	PAYX US	\$41.8 B	27-Sep-23	Pre-mkt	1.12	1.03
Accenture plc	ACN US	\$200.2 B	28-Sep-23	Pre-mkt	2.64	2.60
Nike, Inc	NKE US	\$144.7 B	28-Sep-23	After-mkt	0.73	0.93
Jabil Inc.	JBL US	\$14.2 B	28-Sep-23	Pre-mkt	2.22	2.25

ECONOMIC CALENDAR

(22-09-23) JP- BoJ Interest Rate Decision; BoJ Monetary Policy Statement
(22-09-23) GB- Gfk Consumer Confidence SEP
(22-09-23) GB- Retail Sales AUG; Retail Sales ex-Fuel AUG
(22-09-23) DE- HCOB Composite, Services, Manufacturing PMI SEP preliminar
(22-09-23) EA- HCOB Composite, Services, Manufacturing PMI SEP preliminar
(22-09-23) GB- HCOB Services, Composite, Manufacturing PMI SEP preliminar
(22-09-23) US- HCOB Composite, Services, Manufacturing PMI SEP preliminar

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