

Daily Market Brief

September 25th 2023



FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

EURUSD

The EUR/USD pair snaps its four-day losing streak during the early Asian session on Monday. Market participants will digest the outcome of the Federal Reserve (Fed) meeting last week and await the US Core Personal Consumption Expenditure (PCE) index data due on Thursday. The major pair currently trades near 1.0650, gaining 0.05% on the day.

GBPUSD

GBP/USD pair remains on the defensive below the mid-1.2200s during the Asian session on Monday. Market players await the release of the UK's Gross Domestic Product (GDP) for the second quarter and the US highly-anticipated Core Personal Consumption Expenditure (PCE) Price Index data due on Friday. The major pair currently trades near 1.2242, gaining 0.02% on the day.

USDJPY

The USD/JPY pair touches a fresh high since November 2022 during the Asian session on Monday, albeit struggles to capitalize on the modest uptick beyond mid-148.00s. Speculations that Japanese authorities will intervene in the foreign exchange market to support the domestic currency, along with a weaker risk tone, lend some support to the safe-haven Japanese Yen (JPY).

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.0645	1.0657	1.0643	-0.08	-0.44	-0.56
GBP-USD	1.2239	1.2265	1.2236	-0.02	-1.16	1.29
USD-JPY	148.35	148.48	148.25	-0.01	-0.50	-11.61
USD-CHF	0.9083	0.9084	0.9058	0.19	-1.23	1.78
Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	1922.57	1926.41	1921.93	-0.14	-0.58	5.40
Silver	23.48	23.61	23.46	-0.33	1.03	-1.97
Crude Oil	90.32	90.65	90.08	0.32	-0.29	16.08
Bitcoin	26077.28	26529.79	26019.17	-1.62	-3.76	57.67
Etherium	1574.40	1590.68	1563.85	-1.02	-3.09	31.27
Period	1 M		3 M		12 M	
USD LIBOR *	5.43		5.66		6.04	
EURIBOR	3.87		3.96		4.21	
SOFR	5.32		5.40		5.49	
Notes/Bonds	2 Y		10 Y		30 Y	
US	5.11		4.46		4.55	
BTP - BUND	0.71		1.86		2.19	
GILTS	4.80		4.25		4.68	

INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

Wall Street's main indexes opened higher on Friday after concerns over interest rates battered stocks in the prior session, while investors awaited data and comments from policymakers for hints on the Federal Reserve's next steps.

EUROPE

European shares slipped on Friday and were on track to close a week packed with central banks' decisions sharply lower as investors assessed the prospects that borrowing costs will remain high for some time.

ASIA

Chinese shares fell on Monday, as cautious foreign investors offloaded domestic stocks ahead of a week-long holiday, while a weak regional market also weighed on sentiment.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	33963.84	-0.31	-1.12	2.46	34291.00	0.18
S&P	4320.06	-0.23	-1.94	12.52	4370.50	0.22
Nasdaq	13211.81	-0.09	-2.79	26.23	14913.50	0.31
DJ EuroStoxx50	4207.16	-0.13	-0.69	10.90	4226.00	-0.24
FTSE 100	7683.91	0.07	4.71	3.12	7709.00	-0.40
CAC 40	7184.82	-0.40	-0.62	10.98	7206.50	N/A
DAX	15557.29	-0.09	-0.48	11.73	15677.00	-0.20
IBEX 35	9502.00	-0.49	1.75	15.47	9515.80	N/A
FTSE MIB	28575.90	-0.46	1.30	20.54	28624.00	N/A
Nikkei	32402.41	0.91	3.39	25.30	32490.00	0.65
Hang Seng	18057.45	-1.28	-0.72	-9.88	17823.00	-1.43
DFM General	4168.55	-0.27	1.68	24.95	N/A	N/A
MSCI Tadawoul	10949.42	-1.01	-3.76	4.49	N/A	N/A
Leb. Mkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	79.75	80.00	76.50	7.41	3.64	30.95
Solidere B	77.30	77.95	74.00	0.52	-0.13	28.09

MUST READ

(Source: Bloomberg/ Forexlive)

What Moved Markets

Stocks posted their fourth straight daily loss Friday to end a rocky week that saw benchmark U.S. Treasury yields surging to 16-year highs and investors digesting hawkish revisions from the Federal Reserve. The central bank was the main event of the week. The Fed's monetary policy committee on Wednesday chose to keep rates steady, as widely anticipated. However, the latest dot plot - a summary of economic and rate projections - signaled one more rate hike this year along with fewer rate cuts in 2024. Moreover, Powell at the post-decision conference said that a soft landing was not a baseline expectation, which further shook investor confidence. The Fed chair also highlighted that economic activity had been stronger than all expectations. The yield on the 10-year Treasury note climbed 12 basis points on the week to 4.44%, slipping a bit on Friday after surging Thursday to its highest level since October 2007, as the Fed projected interest rates would remain higher for longer. For the week, the S&P tumbled 2.9% in its biggest loss since mid-March, when the collapse of Silicon Valley Bank sparked a sharp selloff, while the Dow Jones average slipped 1.9% and the Nasdaq Composite closed 3.6% lower.

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

(26-09-23) US- Housing Prices Index JUL; Consumer Confidence SEP
(27-09-23) DE- Gfk Consumer Confidence Survey OCT
(27-09-23) CH- ZEW Survey - Expectations SEP; SNB quarterly Bulletin Q3 report
(27-09-23) US- Durable Goods Orders ex Defense, ex Transportation AUG
(28-09-23) EA- Economic Bulletin; Business Climate; Consumer Confidence Sep
(28-09-23) DE- Consumer Price Index SEP; Harmonized Index of Consumer Prices SEP
(28-09-23) US- Gross Domestic Product Annualized Q2

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