

Daily Market Brief

September 30th 2024



FOREIGN EXCHANGE MARKETS (Sources: Bloomberg / Reuters)

EURUSD
The EUR/USD pair struggles to capitalize on Friday's modest rebound from the 1.1125-1.1120 support area and kicks off the new week on a subdued note. Spot prices currently trade around the 1.1160 area, nearly unchanged for the day, as traders keenly await the release of the flash German consumer inflation figures and the Federal Reserve Chair Jerome Powell's speech for some fresh impetus.

GBPUSD
The GBP/USD pair holds positive ground near 1.3385 during the early Asian session on Monday. The upside of the Pound Sterling is supported by the anticipation that the BoE rate-cutting cycle is likely to be slower than in the United States. This, in turn, acts as a tailwind for GBP/USD. Amid the lack of top-tier UK economic data released from the UK docket this week, the GBP will be influenced by market expectations for the BoE monetary policy action for the remainder of the year.

USDJPY
The Japanese Yen edges lower against the US Dollar on Monday after dovish comments from Japan's upcoming Prime Minister, former Defense Chief Shigeru Ishiba. Ishiba stated on Sunday that the country's monetary policy should continue to be accommodative, indicating the necessity of maintaining low borrowing costs to support a fragile economic recovery, according to The Japan Times. Japan's Retail Trade rose by 2.8% YoY in August, surpassing the expected 2.3% rise. August's US Core PCE Price Index MoM has reinforced the possibility of an aggressive Fed rate-cutting cycle.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.1160	1.1174	1.1154	-0.02	0.44	1.10
GBP-USD	1.3383	1.3397	1.3362	0.07	0.27	5.12
USD-JPY	141.85	142.95	141.65	-0.25	1.24	-0.57
USD-CHF	0.8421	0.8422	0.8404	0.18	0.64	-0.08
Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	2658.11	2666.05	2647.45	0.00	1.12	28.85
Silver	31.59	31.86	31.25	0.06	2.91	32.75
Crude Oil	69.02	69.32	67.87	1.23	-1.92	-2.31
Bitcoin	64628.88	65984.95	64198.25	-1.83	1.80	52.04
Etherium	2641.80	2673.20	2602.56	-0.74	2.38	15.75
Period	1M	3M	6M	12M		
SOFR (\$)	4.84	4.59	4.26	3.78		
ESTR (€)	2.48	3.22	2.95	2.48		
SONIA (£)	4.96	4.82	4.65	4.28		
SARON (F)	0.95	0.87	0.75	0.57		
TONAR (¥)	0.22	0.17	0.12	0.06		

	Rates
U.S. Federal Fund Target Rate	5.00
ECB Main Refinancing Operation Announcement Rate	3.65
ECB Deposit Facility Announcement Rate	3.50
ECB Marginal Lending Facility Announcement Rate	3.90
BOE Official Bank Rate	5.00

INTERNATIONAL EQUITY MARKETS (Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA
The Dow Jones Industrial Average climbed to a fresh record on Friday as traders digested new data that pointed to further progress in lowering inflation. Traders received encouraging inflation data that could give the central bank more reason to confidently cut interest rates further. Initial jobless claims fell more than expected in the latest week, while the final reading of Q2 GDP came in at a 3%.

EUROPE
European markets closed at a fresh record high Friday, as stocks tracked higher on news of China's stimulus blitz and investors assessed fresh inflation data. France and Spain both published preliminary data Friday showing a sharp drop in harmonized inflation. The September readings fueled expectations that the headline inflation rate of the euro zone as a whole will reflect a steep drop to below the ECB's 2% target.

ASIA
Stocks in mainland China spiked over 7% while Japan's Nikkei 225 tumbled 4.64% on Monday as investors assessed key economic data from the two countries.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	42313.00	0.33	1.80	12.27	42629.00	-0.06
S&P	5738.17	-0.13	1.59	20.30	5787.00	-0.07
Nasdaq	18119.59	-0.39	2.29	20.71	20169.25	-0.26
DJ EuroStoxx50	5067.45	0.69	2.21	12.08	5090.00	-0.18
FTSE 100	8320.76	0.43	-0.67	7.60	8357.00	-0.23
CAC 40	7791.79	0.64	2.11	3.30	7844.00	0.00
DAX	19473.63	1.22	3.00	16.25	19595.00	-0.29
IBEX 35	11967.90	0.12	4.96	18.47	11973.00	0.00
FTSE MIB	34727.40	0.92	1.03	14.42	34570.00	-0.27
Nikkei	39829.56	-4.93	-2.02	13.16	37890.00	-4.92
Hang Seng	20632.30	3.98	19.26	25.85	20469.00	0.00
DFM General	4521.26	-0.22	4.30	11.12	N/A	N/A
MSCI Tadawoul	12271.77	-0.83	1.04	2.54	N/A	N/A

Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	90.25	90.25	90.25	0.28	2.56	1.29
Solidere B	89.50	90.00	89.00	-0.50	4.07	-0.50

MUST READ (Source: Bloomberg/ Forexlive)

On US potential port strikes
As thousands of dockworkers are preparing to strike should a deal not be reached by the end of Monday, one business leader is questioning the union's demand for a total ban on automation. International Longshoremen's Association (ILA) on Sunday said its 85,000 members, along with "tens of thousands of dockworkers and maritime workers around the world," will hit the picket lines Tuesday "and strike at all Atlantic and Gulf Coast ports from Maine to Texas." The union is demanding higher wages and a total ban on the automation at ports regarding cranes, gates and moving containers in the loading and unloading of freight. Benchmark Capital's Bill Gurley reacted on social media to the union's demands, writing that the federal government should step in if the union seeks a total ban on automation. "Outlawing the effective use of technology will unquestionably doom our nation," Gurley wrote. "We will become globally uncompetitive." The ILA and United States Maritime Alliance (USMX), which represents employers at the 36 seaports that could be affected by the strike, have been at an impasse over issues including wages and automation at ports. "United States Maritime Alliance (USMX) refuses to address a half-century of wage subjugation where Ocean Carriers profits skyrocketed from millions to mega-billion dollars, while ILA longshore wages remained flat," the ILA said Sunday. A White House official on Friday confirmed to Fox Business that senior officials from the White House, Labor Department and Department of Transportation have met with the parties ahead of the potential strike, urging them to return to the table to negotiate "in good faith fairly and quickly." A potential port strike would disrupt a variety of export and import shipments from East Coast and Gulf Coast ports. An analysis by J.P. Morgan estimated a strike would cost the U.S. economy up to \$5 billion per day.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
Paychex Inc	PAYX US	\$ 47.84B	30-Sep-24	Pre-mkt	1.14	1.14
Nike Inc	NKE US	\$ 134.10B	01-Oct-24	After-mkt	0.52	0.94
RPM International	RPM US	\$ 15.83B	02-Oct-24	Pre-mkt	1.75	1.64
Levi Strauss & Co	LEVI US	\$ 8.61B	02-Oct-24	After-mkt	0.32	0.28
Constellation brar	STZ US	\$ 47.085B	03-Oct-24	Pre-mkt	4.07	3.70

ECONOMIC CALENDAR

(30-09-24) JP - Industrial Production MoM / YoY
(30-09-24) UK - GDP QoQ / YoY
(01-10-24) JP - Jobless Rate
(01-10-24) EA - HCOB Eurozone Manufacturing PMI
(01-10-24) UK - S&P Global UK Manufacturing PMI
(01-10-24) EA - CPI MoM / CPI Core YoY
(01-10-24) US - JOLTS Job Opening

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