

# Daily Market Brief

April 19th 2024



## FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

### EUR/USD

The EUR/USD pair extends its downside around 1.0640 after retreating from weekly peaks of 1.0690 on Friday during the early Asian session. The hawkish comments from Fed officials provide some support to the USD. Fed's Bostic said US inflation is expected to return to target at a slower pace than previously anticipated. ECB policymakers noted the central bank should cut rates in June to avoid falling behind the inflation curve.

### GBP/USD

The GBP/USD pair remains on the defensive near 1.2430 during the early Asian session on Friday. The downtick of the major pair is backed by the stronger USD as the strong US economic data and hawkish remarks from the Fed officials have triggered the speculation that the US central bank will delay interest rate cuts to September.

### USD/JPY

The USD/JPY pair attracts some sellers around 154.15 on Friday during the early Asian trading hours. The risk-off mood and rising tension between Israel and Iran boost the safe-haven flows, benefiting the JPY. However, the robust US economic data and any hawkish comments from the Fed officials might cap the pair upside in the near term. The BoJ will hold a meeting next week and it is expected to revise up its inflation forecast for this fiscal year in a quarterly report.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.0631	1.0645	1.0611	-0.11	-0.11	-3.70
GBP-USD	1.2407	1.2444	1.2389	-0.23	-0.36	-2.55
USD-JPY	154.26	154.67	153.59	-0.25	-0.67	-8.57
USD-CHF	0.9081	0.9131	0.9013	-0.46	0.62	-7.35
Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	2382.03	2417.89	2373.86	0.13	1.61	15.47
Silver	28.30	28.94	28.11	0.21	1.53	18.95
Crude Oil	84.39	86.28	82.47	2.01	-1.48	17.00
Bitcoin	62023.26	63858.51	59643.38	-2.37	-2.88	45.91
Etherium	2998.51	3076.90	2866.87	-2.32	-2.29	31.38
Period	1 M	3 M	12 M			
EURIBOR	3.83	3.90	3.72			
SOFR	5.32	5.32	5.20			
Notes/Bonds	2 Y	10 Y	30 Y			
US	4.93	4.56	4.66			
BTP - BUND	0.57	1.43	1.78			
GILTS	4.49	4.27	4.72			

## INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

### UNITED STATES OF AMERICA

The S&P 500 slipped for a fifth straight day on Thursday, registering its longest losing streak since last October. More than 12% of S&P 500-listed companies have now reported, according to FactSet. Of those that have already posted results, 73% have surpassed Wall Street expectations for their individual performances.

### EUROPE

European markets closed slightly higher on Thursday, after bouncing around throughout the day, as speculation about the first interest rate cut by the European Central Bank continues. Tech stocks were also trading firmly in the red. ECB policymaker François Villeroy de Galhau told CNBC the central bank should cut interest rates in June to avoid falling behind the inflation curve.

### ASIA

Taiwan's Weighted Index led losses in Asia on Friday, falling 3.44% as most major markets in the region fell amid escalating tensions in the Middle East. On Friday, Japan released its March inflation data, with the headline inflation rate coming in at 2.7%, down from the 2.8% seen in February.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	37775.38	0.06	-3.41	0.23	37740.00	-0.72
S&P	5011.12	-0.22	-3.23	5.06	5007.75	-0.84
Nasdaq	15601.50	-0.52	-3.50	3.93	17375.00	-1.03
DJ EuroStoxx50	4936.57	0.46	-1.42	9.18	4823.00	-1.33
FTSE 100	7877.05	0.37	1.79	1.86	7828.00	-0.92
CAC 40	8023.26	0.52	-2.17	6.36	7961.00	-0.84
DAX	17837.40	0.38	-0.83	6.48	17811.00	-1.35
IBEX 35	10765.00	1.23	0.59	6.56	10774.90	0.00
FTSE MIB	33881.50	0.74	-1.11	11.63	33216.00	0.00
Nikkei	38079.70	-2.29	-6.99	11.19	37230.00	-2.46
Hang Seng	16385.87	-1.44	-2.30	-5.27	16142.00	-1.37
DFM General	4208.17	0.84	-1.51	3.65	N/A	N/A
MSCI Tadawoul	12502.35	0.29	-2.36	4.47	N/A	N/A

Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	74.25	74.25	73.75	1.02	0.34	-16.67
Solidere B	73.95	74.00	73.50	0.61	0.68	-17.79

## MUST READ

(Source: Bloomberg/ Forexlive)

### Cocoa prices are the highest on record

Cocoa prices are soaring to new highs as the raw chocolate ingredient staggers through an immense supply crisis, with more headwinds building. Futures topped a record \$10,770 a ton on Thursday, marking a sharp gain of 153.4% since the start of the year. Sagging inventory is the main driver behind the huge price appreciation, as poor weather and crop disease batter harvests in big producer states like the Ivory Coast and Ghana. Pay for regional farmers, meanwhile, has fallen behind, straining their ability to make the investments needed to keep up, Bloomberg reported. And more problems are coming. According to the outlet, projections for Nigeria's cocoa output are being pulled down as the country readies for massive flooding. The at-risk zone accounts for 94% of the nation's cocoa production, and output losses are expected to be colossal, Bloomberg said. Production is forecast to fall behind demand by 374,000 metric tons this season, according to the International Cocoa Organization. In fact, some cocoa traders are already facing a complete lack of beans, with both Ghana and the Ivory Coast asking for deliveries to be delayed. Prospects haven't been much better for investors. With futures spiking so rapidly, many traders have made a beeline for the exits, and cocoa futures trading has hit historical lows, Bloomberg said. "It's so illiquid, I'm not touching it," Darrell Martin, co-founder of Apex Trader Funding and a day trader himself, told Business Insider last week. All this is already hitting consumer pockets, as retail chocolate prices have followed the surge in cocoa. Last year, US stores charged 11.6% more on these products than in 2022.

## MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
American Express	AXP US	\$ 156.61B	19-Apr-24	Pre-mkt	2.96	2.40
Procter & Gamble	PG US	\$ 370.11B	19-Apr-24	Pre-mkt	1.41	1.37
Fifth Third Bancor	FITB US	\$ 23.31B	19-Apr-24	Pre-mkt	0.71	0.83
Schlumberger LTC	SLB US	\$ 72.98B	19-Apr-24	Pre-mkt	0.74	0.63
Regions Financial	RF US	\$ 17.46B	19-Apr-24	Pre-mkt	0.45	0.65

## ECONOMIC CALENDAR

(19-04-24) JP - Natl CPI YoY  
(23-04-24) US - S&P Global US Manufacturing PMI  
(23-04-24) US - New Home Sales  
(24-04-24) DE - IFO Business Climate  
(24-04-24) US - MBA Mortgage Applications  
(24-04-24) US - Durable Goods Orders  
(24-04-24) CA - Retail Sales MoM

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