

Daily Market Brief

April 3rd 2024



FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

EUR/USD

The noticeable drop in the Greenback prompted a similarly decent advance in EUR/USD, which managed to revisit the 1.0780 zone after bottoming out near 1.0720, or two-month lows, early on Tuesday. Regarding monetary policy, both the Fed and the ECB are expected to begin easing cycles, possibly starting in June.

GBP/USD

The GBP/USD pair trades with a negative mild bias around 1.2575 despite the decline of the US Dollar on Wednesday. The major pair remains vulnerable due to slowing UK inflation and a dismal market mood. The Fed's speak on Wednesday will be closely watched by traders, as it might offer some hints about the interest rate trajectory and policy outlook. The US ADP Employment Change, the ISM Services PMI, and Fed's Powell speech will be the highlights on Wednesday.

USD/JPY

The USD/JPY remained capped at around 151.50 on Tuesday amid intervention threats from Japanese authorities. The close correlation between the US 10-year Treasury notes yield, and the major hasn't influenced the pair's price action, which has remained below the 152.00 mark. Technical analysis shows 152.00 as a crucial hurdle; overcoming this could target the 153.00 level for buyers.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.0774	1.0779	1.0766	0.04	-0.50	-2.40
GBP-USD	1.2578	1.2583	1.2567	0.00	-0.49	-1.20
USD-JPY	151.60	151.64	151.44	0.03	-0.18	-6.97
USD-CHF	0.9081	0.9086	0.9075	0.01	-0.47	-7.35
Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	2284.53	2288.40	2276.83	0.17	4.09	10.74
Silver	26.38	26.56	26.11	0.90	7.00	10.84
Crude Oil	85.17	85.64	85.06	0.02	4.35	18.08
Bitcoin	66047.45	66487.51	64555.34	0.53	-5.18	55.38
Etherium	3302.45	3325.05	3204.82	0.94	-5.60	44.70
Period	1 M	3 M	12 M			
EURIBOR	3.86	3.89	3.67			
SOFR	5.32	5.31	5.07			
Notes/Bonds	2 Y	10 Y	30 Y			
US	4.70	4.36	4.50			
BTP - BUND	0.60	1.44	1.79			
GILTS	4.24	4.09	4.58			

INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

The Dow Jones Industrial Average fell for a second day, continuing Wall Street's lackluster start to the quarter, as bond yields increased and traders lowered expectations that the Federal Reserve would cut interest rates in June. Tesla shares slid about 5% after publishing disappointing first-quarter deliveries.

EUROPE

European stocks shifted lower Tuesday as major markets returned to action after the Easter weekend and investors looked ahead to the start of a new trading quarter. European markets closed the first quarter of 2024 around 6.8% higher Thursday as recent inflation data continues to show that pressures from higher prices are cooling. On Tuesday, investors digested fresh data for March on euro zone manufacturing, German inflation and U.K. house prices.

ASIA

Hong Kong stocks led gains in Asia-Pacific markets on Tuesday as Xiaomi shares surged, while investors assessed economic data from South Korea and Australia. Shares of Xiaomi jumped as much as 16% after the consumer electronics company began taking orders on Thursday for its newly launched electric vehicle.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	39170.24	-1.00	0.21	3.93	39436.00	-0.18
S&P	5205.81	-0.72	1.34	9.14	5250.25	-0.19
Nasdaq	16240.45	-0.95	-0.21	8.19	18280.50	-0.26
DJ EuroStoxx50	5042.00	-0.81	3.01	11.51	4997.00	-0.06
FTSE 100	7935.09	-0.22	3.29	2.61	7935.50	-0.31
CAC 40	8130.05	-0.92	2.47	7.78	8144.50	0.00
DAX	18283.13	-1.13	3.09	9.14	18532.00	-0.11
IBEX 35	10975.60	-0.89	9.05	8.65	10953.50	0.00
FTSE MIB	34325.23	-1.22	4.22	13.09	33765.00	0.00
Nikkei	39838.91	-0.67	-0.85	18.25	39600.00	-0.80
Hang Seng	16931.52	-0.89	1.15	-1.56	16822.00	-0.86
DFM General	4269.40	0.14	-2.00	5.16	N/A	N/A
MSCI Tadawoul	12476.59	0.43	-0.63	4.25	N/A	N/A

Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	74.50	75.00	73.00	1.85	-0.27	-16.39
Solidere B	74.00	74.00	74.00	-0.27	-0.40	-17.73

MUST READ

(Source: Bloomberg/ Forexlive)

Global oil price hits seven-month high as Middle East tensions escalate

Oil prices on Tuesday rose to their highest level since October as investors closely monitored fresh supply threats amid an escalating conflict in the Middle East and a Ukrainian drone strike on a major Russian oil refinery. Brent futures have largely been trading in a narrow interval between \$75 to \$85 per barrel since the start of the year, but heightened geopolitical risk and robust economic data appear to have prompted a move higher. OPEC member Iran has blamed Israel for a deadly Monday air strike on its consulate in the Syrian capital of Damascus that reportedly killed seven of its officers. Tehran on Tuesday pledged to take revenge for the attack, which was seen as a major escalation in the Israel-Hamas war. Ukraine on Tuesday struck one of Russia's largest oil refineries with a drone attack on the highly industrialized Tatarstan region southeast of Moscow, around 1,300 kilometers (800 miles) from the front lines of the conflict. Russia — an influential member of the Organization of the Petroleum Exporting Countries and its allies, collectively known as OPEC+ — has been hit by a flurry of Ukrainian drone strikes in recent months and has sought to escalate its own attacks on Ukraine's energy infrastructure.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
Acuity Brands Inc	AYI US	\$ 8.07B	03-Apr-24	Pre-mkt	3.18	3.06
Levi Strauss and C	LEVI US	\$ 7.46B	03-Apr-24	Aft-mkt	0.21	0.34
Resources Connec	RGP US	\$ 422.2M	04-Apr-24	Aft-mkt	0.08	0.37
Lamb Weston Hol	LW US	\$ 14.99B	04-Apr-24	Pre-mkt	1.43	1.43
Lindsay Corp	LNN US	\$ 1.27B	04-Apr-24	Pre-mkt	1.58	1.63

ECONOMIC CALENDAR

(03-04-24) EA - CPI MoM / CPI Core YoY
(03-04-24) US - MBA Mortgage Applications
(03-04-24) US - ADP Employment Change
(03-04-24) US - S&P Global US Services PMI
(04-04-24) UK - HCOB France Composite PMI
(04-04-24) US - Trade Balance
(04-04-24) US - Initial Jobless Claims

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