

FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

EUR/USD

The EUR/USD pair trades with mild losses near 1.1145, snapping the four-day winning streak during the Asian session on Thursday. The downside of the major pair is likely to be limited amid firmer expectations that the US Fed will start easing its monetary policy in September. Later on Thursday, the preliminary PMI for August from the Eurozone and the US will be released.

GBP/USD

GBP/USD briefly tested chart paper on the high side of 1.3100 on Wednesday as Cable continues to push deeper into bull country. The pair is marching into fresh 13-month highs, setting a peak intraday bid of 1.3112, and the Sterling is threatening to cross into its highest prices against the Greenback since April of 2022. Jackson Hole, PMI data dump still loom ahead.

USD/JPY

The JPY edges higher against the USD on Thursday. A Reuters poll conducted from August 13-19, published on Wednesday, indicated that 31 out of 54 economists expect the Bank of Japan to raise borrowing costs before the end of the year. The median forecast points to a 25 basis point hike, which would bring the end-of-year rate to 0.50%. The recent FOMC Minutes suggested that most Fed officials agreed on a rate cut in September.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.1143	1.1158	1.1140	-0.06	1.56	0.94
GBP-USD	1.3083	1.3097	1.3081	-0.06	1.77	2.76
USD-JPY	145.43	145.64	144.85	0.15	2.65	-3.02
USD-CHF	0.8513	0.8525	0.8505	-0.05	2.50	-1.16
Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	2506.84	2514.74	2499.38	-0.23	2.04	21.52
Silver	29.53	29.65	29.34	-0.25	4.13	24.08
Crude Oil	71.84	72.03	71.58	-0.13	-6.69	1.21
Bitcoin	60857.29	61517.59	59804.48	-0.63	2.45	43.17
Etherium	2626.86	2649.12	2584.95	-0.17	0.46	15.10
Period	1 M	3 M	12 M			
EURIBOR	3.59	3.54	3.16			
SOFR	5.31	5.10	4.34			
US Fed Fund Rate (Indicator)	5.31					
Notes/Bonds	2 Y	10 Y	30 Y			
US	3.93	3.80	4.08			
BTP - BUND	0.47	1.37	1.78			
GILTS	3.66	3.89	4.44			

INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

The S&P 500 advanced Wednesday after a summary of the Federal Reserve's policy meeting last month reinforced hope for lower rates in the near future. Fed officials said a decrease to the borrowing cost during the September policy meeting was increasingly likely, according to minutes from the July gathering released Wednesday afternoon. The majority of participants indicated that loosening monetary policy would be appropriate if data continued to come in.

EUROPE

European shares have edged up, led by automobile stocks, while investors awaited the minutes of the US Federal Reserve's July meeting to gauge the direction of global monetary policy.

ASIA

Asia-Pacific markets mostly fell Thursday, with investors digesting business activity data from Australia and Japan while awaiting numbers from India. Japan's business activity expanded at a faster pace in August, with the composite purchasing managers index climbing to 53.0 from July's 52.5.

Index	Close	% Daily	% M	YTD	Futures	1W % Change
DJIA	40890.49	0.14	1.18	8.49	40999.00	0.78
S&P	5620.85	0.42	1.01	17.84	5640.25	1.32
Nasdaq	17918.99	0.57	-0.49	19.37	19908.00	1.67
DJ EuroStoxx50	4885.28	0.57	-0.25	8.05	4897.00	1.35
FTSE 100	8283.43	0.12	1.03	7.11	8296.00	-0.92
CAC 40	7524.72	0.52	-1.28	-0.24	7435.20	0.15
DAX	18448.95	0.50	0.23	10.13	18505.00	1.39
IBEX 35	11114.90	0.24	-0.26	10.03	10940.90	0.51
FTSE MIB	33312.41	0.72	-3.76	9.75	33428.00	2.99
Nikkei	37951.80	0.49	-3.69	13.97	38120.00	4.01
Hang Seng	17391.01	0.60	-0.79	2.63	N/A	N/A
DFM General	4294.90	0.94	2.77	5.79	N/A	N/A
MSCI Tadawoul	12187.44	0.69	0.10	1.84	N/A	N/A
Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	78.25	80.90	77.05	-2.37	5.03	-12.18
Solidere B	77.05	79.80	75.05	-0.06	6.20	-14.34

MUST READ

(Source: Bloomberg/Forexlive)

US Market: week overview

US stocks closed higher on Wednesday, resuming a climb after snapping their longest win streak this year. Investors digested minutes from the Federal Reserve's latest meeting that showed most officials favored a September rate cut if inflation continued to cool. The S&P 500 rose around 0.4%, while the tech-heavy Nasdaq Composite popped nearly 0.6%. The Dow Jones Industrial Average was about 0.1% higher. Stocks are eyeing a return to recovery from an early August sell-off as focus intensifies on the labor market as a factor in the Fed's policymaking, given inflation seems to be subsiding. The minutes from the Fed meeting, which were the highlight of the afternoon, said that the "vast majority" of policymakers said it would "likely be appropriate to ease policy at the next meeting" if inflation data kept softening. Earlier on Wednesday, new data showed the US economy employed 818,000 fewer people than originally reported as of March 2024, showing the labor market may have been cooling long before initially thought. But economists were pointed out the updated data still reflect a labor market that's softening but not "rapidly deteriorating." Investors are still largely trading cautiously ahead of Jerome Powell's appearance at the Jackson Hole symposium on Friday. Expectations for a September rate cut are running high, and his comments will be closely watched for signs a 0.5% reduction is on the table. Quarterly reports from Target (TGT) and Macy's shed light on the retail sector and the consumer before the bell. Target shares jumped after its earnings blew past Wall Street targets, but Macy's shares sank after the retailer posted a sales drop. Target stock finished up more than 11% while Macy's fell almost 13%.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
Workday Inc	WDAY US	\$ 61.88B	22-Aug-24	Aft-mkt	1.64	1.43
Intuit Inc	INTU US	\$ 187.43B	22-Aug-24	Aft-mkt	1.85	1.65
Netease Inc ADR	NTES US	\$ 59.72B	22-Aug-24	Pre-mkt	12.22	13.88
Baidu Inc	BIDU US	\$ 31.47B	22-Aug-24	Pre-mkt	18.54	22.55
Bilibili Inc	BILI US	\$ 5.91B	22-Aug-24	Pre-mkt	-0.75	-2.33

ECONOMIC CALENDAR

(22-08-24) FR - HCOB France Manufacturing PMI
 (22-08-24) US - S&P Global US Services PMI
 (23-08-24) JP - Natl CPI YoY
 (23-08-24) US - New Home Sales
 (26-08-24) US - Durable Goods ORders
 (27-08-24) DE - GDP SA QoQ / NSA YoY / WDA YoY
 (27-08-24) US - Conf. Board Consumer Confidence

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