

Market Corner

Asian stocks steadied on Wednesday and demand for safe-havens waned a little as investors regarded Russian troop movements near Ukraine and initial Western sanctions as leaving room to avoid a war, while a rate hike lifted New Zealand's dollar.

Commodity prices remain elevated, however, and traders are still nervous over the situation on Europe's eastern edge. Overnight oil struck a seven-year high while the **S&P 500 index** tipped into correction territory, having dropped more than 10% from January's record peak.

S&P 500 futures were up 0.55% in Asian trade, after U.S. President Joe Biden left the door open to diplomacy as he announced sanctions on two Russian banks and some elites close to President Vladimir Putin.

MSCI's broadest index of Asia-Pacific shares outside Japan rose 0.3%. **Japan's Nikkei** was closed for the Emperor's birthday holiday.

The European Union and Britain also announced plans to target banks and Russian elites while Germany halted Russia's Nord Stream 2 gas pipeline, leading to a nearly 11% leap in Europe's benchmark gas price.

Japan followed on Wednesday, with Prime Minister Fumio Kishida saying the nation is prohibiting the issuance of Russian bonds in Japan and freezing the assets of certain Russian individuals as well as restricting travel to Japan.

Wheat futures had also leapt on Tuesday, posting the sharpest leap in three-and-a-half years and **corn futures** hit an eight-month high on concern that conflict could disrupt grain supply from the Black Sea export region.

Brent crude futures were last steady at \$97.09 a barrel, having eased off Tuesday's top of \$99.50.

U.S. crude futures sat at \$92.2 a barrel.

US 10Y Govt Bond		Net Change
Price	Yield	
99.4063	1.9407	0.06
EU 10Y Govt Bond		Net Change
Price	Yield	
97.5550	0.2490	-0.08
Indices		% Change
Euro Stoxx 50	3 985.47	-0.01
CAC40	6 787.60	-0.01
FTSE	7 494.21	0.13
DAX	14 693.00	-0.26
SMI	11 959.39	0.57
Dow Jones	33 596.61	-1.42
S&P500	4 304.76	-1.01
Nasdaq Comp.	13 381.52	-1.23
VIX (Volatility Index)	28.81	3.82

Source: Refinitiv / Bloomberg



Morning Call

Geneva, February 23, 2022

Crypto Corner

Bitcoin's sell-off appears to be taking a pause even though the United States rolled out new sanctions against Russia on Feb 22.

Data from Cointelegraph Markets Pro and TradingView shows that the price of Bitcoin (BTC) continues to hover slightly below \$38,000, which some analysts have identified as a significant support and resistance zone.

Here's a closer look at what analysts are saying about Bitcoin price and what levels to keep an eye on in the short-term.

On-chain data outlet, Glassnode, posted the following chart analyzing the percentage of entities in profit and the analysts concluded "that the proportion of on-chain entities in profit is oscillating between 65.78% and 76.7% of the network."

Further insight into the headwinds facing BTC was provided by cryptocurrency research firm Delphi Digital, who previously noted that Bitcoin was "moving into an area of daily, weekly and monthly resistance."

This confluence of resistance prompted Delphi Digital to suggest that "\$45,000 was a logical place to expect profit-taking/risk reduction activity due to the confluence of resistance zones and the speed and magnitude of the move off recent lows," which indeed turned out to be the case as the price dumped shortly after reaching that level.

Crypto Market Cap: [\\$1.72T](#)

24h Vol: [\\$78.2B](#)

Dominance: [BTC: 41.8%](#) [ETH: 18.4%](#)

Bitcoin	38 004.78
Support	Resistance
30 261.26	38 693.36
29 088.56	45 952.76
Circulating Supply (BTC)	
18 966 018.00	
Market Cap	
\$ 721 789 422 839.00	

Ethereum	2 662.67
Support	Resistance
1 984.82	2 682.71
1 893.81	3 289.59
Circulating Supply (ETH)	
119 695 160.00	
Market Cap	
\$ 318 910 041 579.00	



Source: Refinitiv / fxstreet.com / Bloomberg/Coinmarketcap.com/TradeView.com



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Commodity Corner

Gold steadied below the \$1,900-level on Wednesday after hitting a nine-month high in the previous session due to the Ukraine crisis, with investors focusing on accelerating inflation and expected tightening of monetary policies by central banks.

Spot gold was little changed at \$1,898.81 per ounce, as of 04:24 GMT, after scaling its highest since June 1 at \$1,913.89 per ounce in volatile trade on Tuesday.

Spot silver gained 0.5% to \$24.20 per ounce.

Platinum rose 0.3% to \$1,078.99.

Palladium was up 0.2% to \$2,352.47.

Oil prices took a breather on Wednesday after surging to seven-year highs the previous session as it became clear the first wave of U.S. and European sanctions on Russia for sending troops into eastern Ukraine would not disrupt oil supplies.

At the same time, the potential return of more Iranian crude to the market, with Tehran and world powers close to reviving a nuclear agreement, also kept a lid on prices.

Brent crude rose 30 cents, or 0.3%, to \$97.14 a barrel at 04:42 GMT, after soaring as high as \$99.50 on Tuesday, the highest since Sept. 2014.

U.S. West Texas Intermediate (WTI) crude futures also gained 30 cents, or 0.3%, to \$92.21 a barrel, after hitting \$96 on Tuesday.

Prices jumped on Tuesday on worries that western sanctions on Russia for sending troops into two breakaway regions in eastern Ukraine could hit energy supplies, but the United States made it clear there would be no impact on energy exports.

Sanctions imposed by the United States, the European Union, Britain, Australia, Canada and Japan on Tuesday were focused on Russian banks and elites while Germany halted a major gas pipeline project from Russia in response to one of the worst security crises in Europe in decades.

<u>Gold</u>	1896.06
Support	Resistance
1888	1981
1807	1994

<u>Silver</u>	24.06
Support	Resistance
23.86	25.38
22.59	25.63

<u>Oil - WTI</u>	91.66
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<u>Nat Gas (HH)</u>	4.5280
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<u>Copper</u>	4.5320
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<u>Baltic Dry Ind.</u>	2148.00
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<u>Corn</u>	670.50
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<u>Wheat</u>	835.25
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<u>Soybean</u>	1646.00
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<u>Arabica Coffee</u>	247.25
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<u>Cotton</u>	120.75
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<u>Sugar</u>	18.48
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Source: Refinitiv / fxstreet.com / Bloomberg



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FX Corner

Currency markets paused for breath on Wednesday after a choppy few sessions as whipsawed markets looked to get a handle on the latest developments in eastern Europe amid a deepening crisis in Ukraine.

Away from the threat of a full-scale Russian invasion of Ukraine, **the New Zealand dollar** jumped 0.52% after the Reserve Bank of New Zealand raised interest rates and said more tightening could be necessary.

The euro was holding steady at \$1.1325; **sterling** was pinned at \$1.3593, and **the safe haven yen and Swiss franc** also took a breather having dropped sharply as investors held out hopes a major war over Ukraine could be averted.

Western nations and Japan on Tuesday punished Russia with new sanctions for ordering troops into separatist regions of eastern Ukraine and threatened to go further if Moscow launched an all-out invasion of its neighbor.

One U.S. dollar was worth 115.03 yen in Asia trade, with the greenback having climbed steadily overnight from its near three-week low of 114.48 hit Monday, and **0.9204 francs**, after a 0.63% overnight rally.

This left the dollar index which measures the greenback against six peers little changed at 96.063.

High prices for energy, partly a result of the situation in Ukraine, and other commodities helped **the Australian dollar** rise to \$0.7241 on Wednesday, its highest in nearly two weeks.

EURUSD	1.1326
Support	Resistance
1.1156	1.1373
1.1109	1.1543
1.1061	1.1712

GBPUSD	1.3593
Support	Resistance
1.3505	1.3665
1.3414	1.3734
1.3323	1.3803

AUDUSD	0.7233
Support	Resistance
0.7166	0.7330
0.7043	0.7371
0.6920	0.7412

EURCHF	1.0427
Support	Resistance
1.0208	1.0485
1.0133	1.0687
1.0058	1.0889

USDJPY	115.0400
Support	Resistance
113.53	115.38
113.08	116.78
112.63	118.18

USDCAD	1.2743
Support	Resistance
1.2728	1.2877
1.2607	1.2905
1.2485	1.2932

USDCHF	0.9206
Support	Resistance
0.9097	0.9246
0.9048	0.9346
0.8999	0.9446

EURJPY	130.2900
Support	Resistance
127.12	130.93
126.33	133.95
125.53	136.96

USDTRY	13.7779
Support	Resistance
13.6069	14.2229
13.1399	14.3719
12.6730	14.5210

Source: Refinitiv / fxstreet.com / Bloomberg



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Event Corner

Date	Time	Country/Region	Indicator Name	Period	Reuters Poll	Actual	Prior	SmartEstimate®	Predicted Surprise
23 févr 2022	08:00	Germany	GfK Consumer Sentiment	Mar	-6.3		-6.7	-6.24	0.06
23 févr 2022	08:45	France	Business Climate Mfg	Feb	112		112	112.2	0.2

Source: Refinitiv

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