

## Market Corner

**Asian stocks dropped and bond yields surged on Monday following a fresh high in American inflation that heaped pressure on the Federal Reserve to intensify monetary tightening. The yen reached a 24-year low.**

Equities shed more than 2% across Asian markets. Tech shares in Hong Kong declined further by 3.7%, weighing on the broader Hang Seng index.

US futures slid, with Nasdaq 100 contracts falling 1.8% and those for the S&P 500 dropping 1.2%, putting the later on the cusp of a 20% decline from January's high. The moves come in the wake of steep losses on Wall Street that contributed to the worst drop in global shares last week since October 2020.

The yen weakened to 135.19 per dollar, the lowest level since 1998, as Japan's easy monetary policy increasingly stands at odds with that of developed-market peers hiking rates.

Treasury yields rose across the curve, led by shorter maturities, with the two-year rising 10 basis points to the highest level since late 2007. Yields on 30-year Treasuries are below those on five-year notes, pointing to fears that sharp Fed interest-rate hikes will spark a hard economic landing. New Zealand's 10-year bond yield topped 4% for the first time since 2014 in the slipstream of the moves in Treasuries.

The dollar was stronger on haven demand amid the toxic mix of rising costs and slower growth. Risk sensitive currencies like the Australian dollar weakened. Oil, one of the commodities stoking price gains, retreated to about \$119 a barrel.

<u>World Indices</u>	<u>Last</u>	<u>1D Change</u>
<u>Dow Jones</u>	31 392,79	-2,73%
<u>S&amp;P 500</u>	3 900,86	-2,91%
<u>Nasdaq</u>	11 340,02	-3,52%
<u>Eurostoxx 50</u>	3 599,20	-3,36%
<u>FTSE 100</u>	7 317,52	-2,12%
<u>CAC 40</u>	6 187,23	-2,69%
<u>DAX</u>	13 761,83	-3,08%
<u>SMI</u>	11 084,62	-2,10%
<u>Nikkei</u>	27 000,02	-2,96%
<u>Hang Seng</u>	21 084,62	-3,31%
<u>CSI 300</u>	4 173,53	-1,54%
<u>VIX Index</u>	27,75	6,36%

<u>World Bonds</u>	<u>Last</u>	<u>1D Change</u>
<u>US 10Y</u>	3,1612	0,18%
<u>EUR 10Y</u>	1,5160	6,01%
<u>Swiss 10Y</u>	1,1350	4,42%
<u>UK 10Y</u>	2,45	5,34%

Source: Bloomberg



# Morning Call

Geneva, June 13, 2022

## Crypto Corner

**Bitcoin plunged to the lowest in about 18 months in Asia trading Monday as the impact of Friday's shock US inflation data continued to reverberate through global risk assets.**

The world's largest digital token tumbled as much as 8.9% to \$24,903.49 -- its lowest since December 2020. Other cryptocurrencies also declined as a broader sell-off continued. The MVIS CryptoCompare Digital Assets 100 Index, which measures 100 of the top tokens, dropped as much as 9.7%.

Traders are boosting bets for a more aggressive pace of Federal Reserve tightening after data Friday showed US inflation jumped to a fresh 40-year high in May. Cryptocurrencies, which have struggled amid the Fed's policy in recent months, have been hit particularly hard. The collapse of the Terra/Luna ecosystem last month, and lender Celsius pausing withdrawals Monday morning Asia time, have further eroded confidence in the space.

Other coins were also having a difficult time, with Ether off as much as 12% to its lowest level since February 2021. Avalanche dropped as much as 15%, Solana up to 14% and Dogecoin as much as 11%.

Crypto Market Cap: **\$1.03T**

24h Vol: **\$103,3B**

Dominance: **BTC: 47,2% ETH: 15,8%**

Crypto	Last	1D Change
<b>Bitcoin</b>	<b>25 311,19</b>	<b>-7,44%</b>
<b>Ethereum</b>	<b>1 326,46</b>	<b>-10,12%</b>



Source: [fxstreet.com / Bloomberg/Coinmarketcap.com](https://fxstreet.com/Bloomberg/Coinmarketcap.com)

## Commodity Corner

**Gold and silver rates were today weak in Indian markets amid subdued global rates. On MCX, gold futures were down 0.3% to ₹51551 while silver futures dropped 1% to ₹61,321 per kg.**

In Friday's session, gold had jumped 1.3% to over one-month highs of ₹51,700 per 10 gram. Silver had gained 0.8%. In global markets, gold today eased from a one-month high as red-hot US inflation data lifted Treasury yields. Spot gold was down 0.5% at \$1,862.29 per ounce. Among other precious metals, spot silver today dipped 1.1% to \$21.63 per ounce.

Precious Metals	Last	1D Change
<u>Gold</u>	1 864,51	-0,38%
<u>Silver</u>	21,66	-1,04%
<u>Platinum</u>	960,78	-1,71%
<u>Palladium</u>	1 915,70	-0,95%

**OIL prices slid on Monday as a flare-up in Covid-19 cases in Beijing quelled hopes for a rapid pick-up in China's fuel demand, while worries about global inflation and sluggish economic growth further depressed the market.**

Brent crude futures fell US\$1.81, or 1.48 per cent, to US\$120.20 a barrel by 04:43 GMT while US West Texas Intermediate crude was at US\$118.81 a barrel, down US\$1.86, or 1.54 per cent.

Both contracts dropped over US\$2 earlier in the session. Prices fell after Chinese officials warned on Sunday of a "ferocious" Covid-19 spread in the capital and announced plans to conduct mass testing in Beijing until Wednesday.

Both global oil benchmarks rose more than 1 per cent last week after data showed robust oil demand in the world's top consumer, the United States, despite inflation concerns, and on hopes that consumption in second-biggest global consumer China would rebound after lockdown measures were lifted from June 1.

Concerns about further interest rate hikes following red-hot US inflation data released on Friday are also weighing on global financial markets.

The US consumer price index increased a bigger-than-expected 8.6 per cent last month, the largest year-on-year increase since December 1981, official figures showed, dashing hopes that inflation had peaked.

World Commodities	Last	1D Change
<u>WTI Crude</u>	118,57	-1,74%
<u>Brent Crude</u>	119,93	-1,70%
<u>Nat Gas (HH)</u>	8,60	-2,86%
<u>Nickel</u>	27 190,00	-2,72%
<u>Copper</u>	424,85	-1,07%
<u>Corn</u>	775,25	0,26%
<u>Wheat</u>	1 079,00	0,77%
<u>Soybean</u>	1 734,00	-0,66%
<u>Coffee</u>	228,90	-2,45%
<u>Cotton</u>	144,44	-0,43%
<u>Sugar</u>	18,87	-2,18%

Source: [fxstreet.com](https://www.fxstreet.com/) / Bloomberg

# Morning Call

Geneva, June 13, 2022

## FX Corner

**EUR/USD** is trading below 1.0500, undermined by the risk-off market mood in early European trading. Hot US inflation ramped up aggressive Fed tightening bets, rekindling recession fears. The dollar remains firmer amid a damp mood and rallying yields.

**GBP/USD** has declined to its weakest level since mid-May below 1.2270 in the early European session on Monday. The data from the UK showed that the GDP contracted by 0.3% on a monthly basis in April, missing the market expectation for an expansion of 0.2%

**USD/JPY** has broken through 135.00, hitting fresh over two-decade highs on hot US inflation-driven unrelenting dollar demand and firmer yields. The yen is sold off sharply by the BOJ's dovish rhetoric. Japanese authorities undertake verbal intervention but to no avail.

**AUD/USD** retreats towards one-month low during the four-day downtrend as market sentiment remains sour. Beijing Sports Authority announces suspension of offline sports, CME's FedWatch Tool hints at 75 bps rate hike in June. Risk-off mood joins firmer US Treasury yields to favor US dollar.

World Currencies	Last	1D Change
<u>EURUSD</u>	1,0478	-0,39%
<u>EURCHF</u>	1,0365	0,26%
<u>EURGBP</u>	0,8549	-0,08%
<u>EURJPY</u>	141,07	0,20%
<u>USDCHF</u>	0,9892	-0,12%
<u>USDJPY</u>	134,63	-0,16%
<u>USDCAD</u>	1,2820	-0,34%
<u>USDTRY</u>	17,23	-0,68%
<u>GBPUSD</u>	1,2257	-0,47%
<u>AUDUSD</u>	0,7019	-0,55%
<u>NZDUSD</u>	0,6338	-0,31%

Currencies	S3	S2	S1	R1	R2	R3
EURUSD	1.0284	1.0420	1.0469	1.0605	1.0692	1.0828
USDJPY	131.87	132.98	133.69	134.80	135.20	136.31
GBPUSD	1.1944	1.2161	1.2238	1.2455	1.2595	1.2812
USDCAD	1.2493	1.2625	1.2700	1.2832	1.2889	1.3021
AUDUSD	0.6878	0.6978	0.7018	0.7118	0.7178	0.7278
NZDUSD	0.6206	0.6293	0.6326	0.6413	0.6467	0.6554
USDCHF	0.9584	0.9716	0.9798	0.9930	0.9980	1.0112
USDTRY	16.1870	16.6322	16.8732	17.3184	17.5226	17.9678
XAUUSD	1756.31	1806.96	1839.28	1889.93	1908.26	1958.91
XAGUSD	20.2904	21.0058	21.4476	22.1630	22.4366	23.1520

Source: Refinitiv / fxstreet.com / Bloomberg



# Morning Call

Geneva, June 13, 2022

## Event Corner

ECO Economic Calendars Options

ECO Calendars View Alerts Export

G8 Browse 08:13:53 06/13/22 - 06/13/22

Economic Releases All Economic Releases View Agenda Weekly

Date	Time	C	A	M	R	Event	Period	Surv(M)	Actual	Prior	Revised
06/13	01:50	JN				BSI Large All Industry QoQ	2Q	--	-0.9	-7.5	--
06/13	01:50	JN				BSI Large Manufacturing QoQ	2Q	--	-9.9	-7.6	--
06/13	08:00	UK				Monthly GDP (3M/3M)	Apr	0.4%	0.2%	0.8%	--
06/13	08:00	UK				Monthly GDP (MoM)	Apr	0.1%	-0.3%	-0.1%	--
06/13	08:00	UK				Construction Output MoM	Apr	-0.5%	-0.4%	1.7%	--
06/13	08:00	UK				Construction Output YoY	Apr	4.0%	3.9%	4.7%	--
06/13	08:00	UK				Industrial Production MoM	Apr	0.3%	-0.6%	-0.2%	--
06/13	08:00	UK				Industrial Production YoY	Apr	1.7%	0.7%	0.7%	--
06/13	08:00	UK				Manufacturing Production MoM	Apr	0.2%	-1.0%	-0.2%	--
06/13	08:00	UK				Manufacturing Production YoY	Apr	1.8%	0.5%	1.9%	--
06/13	08:00	UK				Index of Services MoM	Apr	0.1%	-0.3%	-0.2%	--
06/13	08:00	UK				Index of Services 3M/3M	Apr	0.1%	0.0%	0.4%	--
06/13	08:00	UK				Visible Trade Balance GBP/Mn	Apr	-£20000m	-£20893m	-£23897m	--
06/13	08:00	UK				Trade Balance Non EU GBP/Mn	Apr	--	-£10988m	-£13804m	--
06/13	08:00	UK				Trade Balance GBP/Mn	Apr	-£10800m	-£8503m	-£11552m	--
06/13	08:30	EC				Bloomberg June Eurozone Economic Survey					
06/13	08:35	GE				Bloomberg June Germany Economic Survey					
06/13	08:40	FR				Bloomberg June France Economic Survey					
06/13	08:45	IT				Bloomberg June Italy Economic Survey					
06/13	10:00	IT				Unemployment Rate Quarterly	1Q	--	--	9.1%	--
06/13	14:00	CA				Bloomberg Nanos Confidence	Jun 10	--	--	52.2	--
06/09-06/14		RU				Budget Balance YTD	May	1165.0b	--	1041.2b	--

Source: Refinitiv

Disclaimer: "This information, including any opinion, news and reports is based on publicly available source, but its accuracy cannot be guaranteed and may be subject to change without notice. BankMed (Suisse) does not guarantee the accuracy, timeliness, continued availability or completeness of such information. Neither the information provided nor any opinion expressed therein, constitutes a solicitation, offer, personal recommendation or advice. BankMed (Suisse) is not acting as an adviser to you and you are free to rely or not on such information at your own risk. Certain transactions involving securities give rise to substantial risks, including currency and volatility risk, and are not suitable for all investors."