

Market Corner

Stocks struggled for traction in Asia on Tuesday as a global bounce from a bear market stalled amid ongoing worries about high inflation and slowing economic growth.

An Asian equity index fell for the first session in four. Chinese tech shares were among the weaker performers on concerns that investors may look to take profits after a strong rally.

US and European equity futures dipped following losses for the S&P 500 and Nasdaq 100 on Monday. Institutional portfolio rebalancing at month- and quarter-end may also be affecting trading flows.

Caution in the Asian session was evident in a stronger yen and a climb in Treasuries that left the 10-year yield around 3.17%. Crude rose past \$110 a barrel -- Libya and Ecuador flagged potential output cuts on political unrest.

Rallies in risk assets have proved fleeting this year as higher borrowing costs to fight inflation restrain economic activity. Some analysts argue still-bullish earnings estimates are next in line for a reality check.

Earnings revisions are a risk with the US economy set to slow next year, though China emerging from Covid strictures could act as a global buffer, according to Lorraine Tan, Morningstar director of equity research.

The People's Bank of China pledged to keep monetary policy supportive to help the nation's economy. It signaled that stimulus would likely focus on boosting credit rather than lowering interest rates.

In the Bavarian Alps, Russia's war in Ukraine and limiting its profits from rising energy prices have been among the main topics of discussion at a Group of Seven summit.

G-7 leaders are set to instruct ministers to explore implementing a price cap on Russian gas. The leaders are also expected to mention a mechanism to cap prices on Russian oil in the final communique.

World Indices	Last	1D Change
<u>Dow Jones</u>	31 438,26	-0,20%
<u>S&P 500</u>	3 900,11	-0,30%
<u>Nasdaq</u>	11 524,55	-0,72%
<u>Eurostoxx 50</u>	3 538,88	0,16%
<u>FTSE 100</u>	7 258,32	0,69%
<u>CAC 40</u>	6 047,31	-0,43%
<u>DAX</u>	13 186,07	0,52%
<u>SMI</u>	10 906,82	0,77%
<u>Nikkei</u>	27 049,47	0,66%
<u>Hang Seng</u>	22 294,67	0,29%
<u>CSI 300</u>	4 473,62	0,66%
<u>VIX Index</u>	26,95	-1,03%

World Bonds	Last	1D Change
<u>US 10Y</u>	3,1904	-0,29%
<u>EUR 10Y</u>	1,5580	0,71%
<u>Swiss 10Y</u>	1,3630	0,37%
<u>UK 10Y</u>	2,39	3,95%

Source: Bloomberg



Morning Call

Geneva, June 28, 2022

Crypto Corner

Sam Bankman-Fried's FTX crypto exchange is exploring whether it might be able to acquire Robinhood Markets Inc., according to people with knowledge of the matter.

FTX is deliberating internally how to buy the app-based brokerage, one of the people said, asking not to be identified because the matter isn't public. Robinhood hasn't received a formal takeover approach from FTX, another person said. No final decision has been made and FTX could opt against pursuing a deal, the people said.

Sam Bankman-Fried

"We are excited about Robinhood's business prospects and potential ways we could partner with them," Bankman-Fried said Monday in an emailed statement. "There are no active M&A conversations with Robinhood."

A spokesman for Menlo Park, California-based Robinhood declined to comment.

Robinhood's co-founders, Chief Executive Officer Vlad Tenev and Chief Creative Officer Baiju Bhatt, control more than 50% of Robinhood's voting power, according to a regulatory filing. In May, Bankman-Fried disclosed that a company he controls, Emergent Fidelity Technologies, bought a 7.6% stake in Robinhood. He paid about about \$648 million for the shares.

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Crypto	Last	1D Change
Bitcoin	20 836,42	-0,30%
Ethereum	1 198,01	-0,31%

Crypto Market Cap: [\\$934B](#)

24h Vol: [\\$56,6B](#)

Dominance: [BTC: 42,5%](#) [ETH: 15,5%](#)



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

Commodity Corner

Gold was steady in Asia -- after a modest decline in the previous session as US bond yields rose -- with investors weighing the outlook for global growth and monetary policy.

Bullion is being buffeted by rising interest rates, which typically damp its appeal, and downturn risks that could boost its allure as a haven asset. Prices edged higher to pare a narrow decline in June as the 10-year Treasury yields slipped Tuesday after reaching 3.2%.

Federal Reserve Chair Jerome Powell last week called his commitment to curbing inflation “unconditional,” spurring fears aggressive tightening could trigger a recession. In China, central bank Governor Yi Gang is taking a different tack, vowing to maintain supportive monetary policy to aid the recovery from Covid-19.

Geopolitical tensions are also threatening to heat up. NATO is set to label China a “systemic challenge” when it outlines new policy guidelines that will also highlight Beijing’s deepening partnership with Russia, according to people familiar with the matter.

Spot gold rose 0.2% to \$1,825.51 an ounce as of 11:36 a.m. in Singapore after dropping 0.2% Monday. The Bloomberg Dollar Spot Index edged lower. Silver and platinum were steady, while palladium advanced.

Precious Metals	Last	1D Change
<u>Gold</u>	1 828,27	0,30%
<u>Silver</u>	21,33	0,81%
<u>Platinum</u>	913,72	0,25%
<u>Palladium</u>	1 904,35	1,66%

Oil rose for a third session as threats to global output risked tightening the market further before OPEC+ meets this week to discuss supply.

West Texas Intermediate futures climbed toward \$111 a barrel after adding about 5% over the past two sessions. Libya is facing more disruptions to its exports due to a worsening political crisis, while anti-government protests in Ecuador threaten to shut down production in the former OPEC member.

Any halt to supply could reverberate through the global oil market, which has been squeezed by an economic rebound and upended trade flows from Russia after its invasion of Ukraine. Some OPEC+ members have struggled to meet their production targets this year, exacerbating the tightness.

World Commodities	Last	1D Change
<u>WTI Crude</u>	111,12	1,41%
<u>Brent Crude</u>	116,84	1,52%
<u>Nat Gas (HH)</u>	6,45	-0,80%
<u>Nickel</u>	22 846,00	2,17%
<u>Copper</u>	379,45	0,85%
<u>Corn</u>	751,00	0,91%
<u>Wheat</u>	920,25	1,80%
<u>Soybean</u>	1 646,25	0,97%
<u>Coffee</u>	226,00	-0,26%
<u>Cotton</u>	100,35	-3,29%
<u>Sugar</u>	18,30	-0,38%

Source: fxstreet.com / Bloomberg

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FX Corner

EUR/USD is under pressure below 1.0600, as the US dollar finds its feet amid a cautious market mood. The euro shrugs off the latest report, citing that the ECB may unveil a new bond-buying scheme to cap yields/spreads in July. ECB-speak, US data awaited.

GBP/USD is falling towards 1.2250, extending a sluggish start to the week. The pair retreats amid a renewed uptick seen in the US dollar, as risk-off sentiment prevails. Recent negative Brexit and UK political news remain a drag on the pound. US data eyed.

USD/JPY is heading south to test 135.00, having failed to sustain above 135.50. The pair is falling in tandem with the US Treasury yields while the return of risk-off flows underpins the USD bounce. Focus shifts to US data.

AUD/USD extends the previous day's pullback from weekly top, stays pressured around intraday low. Market sentiment dwindles amid fears of recession, lack of major catalysts challenge momentum traders. RBA rate hike expectations ease ahead of Wednesday's Aussie Retail Sales, US CB Consumer Confidence could direct intraday moves.

World Currencies	Last	1D Change
<u>EURUSD</u>	1,0595	0,10%
<u>EURCHF</u>	1,0119	0,01%
<u>EURGBP</u>	0,8622	0,07%
<u>EURJPY</u>	143,53	-0,10%
<u>USDCHF</u>	0,9551	0,13%
<u>USDJPY</u>	135,47	-0,01%
<u>USDCAD</u>	1,2834	0,34%
<u>USDTRY</u>	16,59	-0,19%
<u>GBPUSD</u>	1,2288	0,19%
<u>AUDUSD</u>	0,6961	0,51%
<u>NZDUSD</u>	0,6310	0,11%

Currencies	S3	S2	S1	R1	R2	R3
EURUSD	1.0453	1.0518	1.0551	1.0616	1.0648	1.0713
USDJPY	133.12	134.15	134.80	135.83	136.21	137.24
GBPUSD	1.2090	1.2184	1.2225	1.2319	1.2372	1.2466
USDCAD	1.2782	1.2834	1.2856	1.2908	1.2938	1.2990
AUDUSD	0.6827	0.6879	0.6902	0.6954	0.6983	0.7035
NZDUSD	0.6214	0.6259	0.6281	0.6326	0.6349	0.6394
USDCHF	0.9421	0.9498	0.9531	0.9608	0.9652	0.9729
USDTRY	14.9893	15.7454	16.1514	16.9075	17.2576	18.0137
XAUUSD	1787.94	1808.10	1815.47	1835.63	1848.42	1868.58
XAGUSD	20.3753	20.8204	20.9907	21.4358	21.7106	22.1557

Source: Refinitiv / fxstreet.com / Bloomberg



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Event Corner

ECO Economic Calendars

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G8 | Browse | 08:50:46 | 06/28/22 - 06/28/22

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Date	Time	C	A	M	R	Event	Period	Surv(M)	Actual	Prior	Revised
06/28	08:00	GE				GfK Consumer Confidence	Jul	-27.3	--	-26.0	--
06/28	08:45	FR				Consumer Confidence	Jun	84	--	86	--
06/28	10:00	IT				Industrial Sales WDA YoY	Apr	--	--	21.4%	--
06/28	10:00	IT				Industrial Sales MoM	Apr	--	--	2.4%	--
06/28	14:30	US				Advance Goods Trade Balance	May	-\$105.4b	--	-\$105.9b	-\$106.7b
06/28	14:30	US				Wholesale Inventories MoM	May P	2.2%	--	2.2%	--
06/28	14:30	US				Retail Inventories MoM	May	1.6%	--	0.7%	--
06/28	15:00	US				FHFA House Price Index MoM	Apr	1.6%	--	1.5%	--
06/28	15:00	US				S&P CoreLogic CS 20-City MoM SA	Apr	1.85%	--	2.42%	--
06/28	15:00	US				S&P CoreLogic CS 20-City YoY NSA	Apr	21.20%	--	21.17%	--
06/28	15:00	US				S&P CoreLogic CS US HPI YoY NSA	Apr	--	--	20.55%	--
06/28	16:00	US				Conf. Board Consumer Confidence	Jun	100.0	--	106.4	--
06/28	16:00	US				Conf. Board Present Situation	Jun	--	--	149.6	--
06/28	16:00	US				Conf. Board Expectations	Jun	--	--	77.5	--
06/28	16:00	US				Richmond Fed Manufact. Index	Jun	-5	--	-9	--

Source: Refinitiv

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