

Market Corner

Stocks dropped in Asia on Wednesday on renewed worries about a gloomy economic outlook as monetary policy tightens in much of the world to fight high inflation.

An Asian equity index snapped a four-day climb, shedding more than 1%. US futures steadied after a tech-led tumble in the S&P 500 on Tuesday. Institutional portfolio rebalancing may be impacting trading.

China's bourses were in the red too but the losses were relatively modest. In a surprise move, the nation Tuesday reduced quarantine times for inbound travelers. That hinted at an eventual shift away from a strategy of stamping out Covid that involves great economic cost via lockdowns and travel curbs.

The dollar held gains after rising the most in over a week in the Wall Street session. Treasuries inched up, leaving the 10-year yield at 3.16%.

Oil slipped toward \$111 a barrel.

In cryptocurrencies, Bitcoin continued to hover around the \$20,000 level.

Investors appear skeptical that the Federal Reserve can avoid a bruising economic downturn amid sharp interest-rate hikes. Evaporating consumer confidence is feeding into concerns that the US might tip into a recession.

On China, the recent step to reduce quarantine for inbound travelers led to a relief rally, but the Covid-zero policy is still well entrenched, which will likely lead to regular reopening disruptions, she added.

US officials sought to play down recession risk. New York Fed President John Williams and San Francisco's Mary Daly both acknowledged they had to cool inflation but insisted that a soft landing was still possible.

In Europe, central bank President Christine Lagarde affirmed plans for an initial quarter-point rate increase in July but said policy makers are ready to step up action to tackle record inflation if warranted.

<u>World Indices</u>	<u>Last</u>	<u>1D Change</u>
<u>Dow Jones</u>	30 946,99	-1,56%
<u>S&P 500</u>	3 821,55	-2,01%
<u>Nasdaq</u>	11 181,54	-2,98%
<u>Eurostoxx 50</u>	3 549,29	0,29%
<u>FTSE 100</u>	7 323,41	0,90%
<u>CAC 40</u>	6 086,02	0,64%
<u>DAX</u>	13 231,82	0,35%
<u>SMI</u>	10 809,57	-0,89%
<u>Nikkei</u>	26 772,43	-1,02%
<u>Hang Seng</u>	21 993,86	-1,90%
<u>CSI 300</u>	4 443,66	-1,04%
<u>VIX Index</u>	28,36	5,23%

<u>World Bonds</u>	<u>Last</u>	<u>1D Change</u>
<u>US 10Y</u>	3,1247	-1,48%
<u>EUR 10Y</u>	1,6280	5,24%
<u>Swiss 10Y</u>	1,3910	2,43%
<u>UK 10Y</u>	2,47	3,01%

Source: Bloomberg



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Geneva, June 29, 2022

Crypto Corner

Bitcoin price is currently trading at \$20,727. Investors will likely stay on the sidelines until the peer-to-peer digital currency can hurdle above the 200-week simple moving average (SMA), currently priced at \$22,540.

Bitcoin price has yet to conquer bullish grounds on the Relative Strength Index and lacks volume to justify a valid uptrend. Thus, being an early bull could result in a catastrophic loss. Early bulls should keep their invalidation level above the 200-week moving average to avoid being pulled into a time-consuming consolidation.

The earliest clue to invalidate the bearish trend will be to breach and close above \$23,000. If this bullish event occurs, the bulls should have enough strength to rally towards \$31,000, resulting in a 55% increase from the current Bitcoin price.

Ethereum price currently trades at \$1,184, finding support above the 8-day SMA. The 21-day SMA resides above the current market price at \$1,300, which justifies the choppy price movement witnessed at the end of June. A breach above the \$1,300 barrier could be the catalyst to propel ETH price to \$1,700 in the short term.

Invalidation of the uptrend scenario is a breach below the June 18 swing low at \$881.50 with one caveat. Traders should allow a breach of the 21-day SMA at \$1,300 to happen before placing an entry. If this bullish event occurs, an entry and firm stop loss could be placed below \$881. Remember that a breach below \$881 would invalidate the potential for a bull run and result in a sellers' frenzy with bearish targets in the \$750 zone. A plummet to \$750 would result in a 35% decrease from the current Ethereum price.

Crypto	Last	1D Change
Bitcoin	20 070,52	-0,88%
Ethereum	1 126,87	-2,88%

Crypto Market Cap: [\\$910B](#)

24h Vol: [\\$57.8B](#)

Dominance: [BTC: 42,5%](#) [ETH: 15,3%](#)



Source: fxstreet.com / Bloomberg/Coinmarketcap.com

Commodity Corner

Gold was steady -- after a two-day decline -- as Federal Reserve officials played down the risk of a US recession even as they tighten monetary policy.

Bullion is set for a third straight monthly drop as rising interest rates globally reduce the allure of the metal, which doesn't offer yields. Still, fears that aggressive hiking could lead to an economic slowdown has provided some demand for the haven asset.

New York Fed President John Williams and San Francisco's Mary Daly both acknowledged on Tuesday they had to cool the hottest inflation in 40 years but insisted that a soft landing was still possible. The Fed raised its benchmark rate this month by 75 basis points -- the biggest increase since 1994 -- and another outsized hike could be on the table at the next meeting in July.

Spot gold rose 0.1% to \$1,821.58 an ounce as of 12:09 p.m. in Singapore, and is down 0.9% in June. The Bloomberg Dollar Spot Index was flat following a 0.4% gain in the previous session. Silver was steady, while platinum and palladium advanced.

Precious Metals	Last	1D Change
<u>Gold</u>	1 821,90	0,10%
<u>Silver</u>	20,86	0,08%
<u>Platinum</u>	923,33	1,00%
<u>Palladium</u>	1 917,54	2,18%

Oil took a breather after a three-day rally as concerns over a demand-sapping recession filtered back into the market, overshadowing signs that global stockpiles and supply continue to tighten.

West Texas Intermediate fell to trade near \$111 a barrel after adding around 7% over the previous three sessions. Federal Reserve officials played down the risk that the US economy will tip into recession even as they raise interest rates, but concerns about global growth are persisting.

Oil is heading for the first monthly decline since November after being hit by fears of a global economic slowdown, but prices are still up almost 50% this year. Time-spreads are also flashing bullish signs, with a contract known as the Dated-to-Frontline swap -- an indicator of the strength in the key North Sea market -- hitting a record of more than \$5 a barrel. Global oil markets have tightened after a rebound in economic activity, with Russia's invasion of Ukraine exacerbating the squeeze by upending trade flows. OPEC+ is expected to rubber-stamp another modest supply increase for August this week, although the cartel has struggled to meet its targets this year.

World Commodities	Last	1D Change
<u>WTI Crude</u>	110,95	-0,72%
<u>Brent Crude</u>	116,89	-0,92%
<u>Nat Gas (HH)</u>	6,70	1,98%
<u>Nickel</u>	23 119,00	1,19%
<u>Copper</u>	370,75	-1,76%
<u>Corn</u>	760,75	0,16%
<u>Wheat</u>	926,75	0,60%
<u>Soybean</u>	1 655,50	-0,50%
<u>Coffee</u>	221,90	-1,81%
<u>Cotton</u>	100,12	-0,23%
<u>Sugar</u>	18,53	1,26%

Source: fxstreet.com / Bloomberg

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FX Corner

EUR/USD is trading close to 1.0500, undermined by the market anxiety ahead of the key data/events. ECB's Lagarde failed to recall buyers amid inflation fears, yields remain pressured amid recession risks. Fed's Powell need to defend the hawkish policy.

GBP/USD is trading around 1.2200, paring back gains amid a renewed uptick in the US dollar across the board. Investors remain wary amid looming recession and Brexit worries. Powell and Bailey is due to speak at the Policy Panel at the ECB Forum on Wednesday.

USD/JPY is trading above 136.00 resuming weekly gains in Wednesday's sluggish Asian session. The pair is tracking the renewed uptick in the US dollar, although the further upside appears capped amid risk-off flows and negative Treasury yields. Powell eyed.

AUD/USD holds lower ground near weekly low, prints three-day downtrend. MACD, RSI challenge corrective pullback, sustained trading below the key SMAs favor bears. Monthly low, 61.8% FE adds to the downside filters, 200-SMA holds gate for buyer's entry.

World Currencies	Last	1D Change
<u>EURUSD</u>	1,0508	-0,10%
<u>EURCHF</u>	1,0050	0,22%
<u>EURGBP</u>	0,8616	0,21%
<u>EURJPY</u>	142,93	0,18%
<u>USDCHF</u>	0,9564	0,08%
<u>USDJPY</u>	136,02	0,09%
<u>USDCAD</u>	1,2868	0,05%
<u>USDTRY</u>	16,67	0,01%
<u>GBPUSD</u>	1,2197	0,11%
<u>AUDUSD</u>	0,6899	-0,13%
<u>NZDUSD</u>	0,6249	0,14%

Currencies	S3	S2	S1	R1	R2	R3
EURUSD	1.0339	1.0441	1.0480	1.0582	1.0645	1.0747
USDJPY	133.33	134.60	135.37	136.64	137.14	138.41
GBPUSD	1.1999	1.2109	1.2146	1.2256	1.2329	1.2439
USDCAD	1.2711	1.2787	1.2831	1.2907	1.2939	1.3015
AUDUSD	0.6805	0.6865	0.6887	0.6947	0.6985	0.7045
NZDUSD	0.6110	0.6187	0.6213	0.6290	0.6341	0.6418
USDCHF	0.9458	0.9511	0.9542	0.9595	0.9617	0.9670
USDTRY	16.2816	16.4518	16.5622	16.7324	16.7922	16.9624
XAUUSD	1800.60	1811.63	1815.82	1826.85	1833.69	1844.72
XAGUSD	19.8644	20.4317	20.6358	21.2031	21.5663	22.1336

Source: Refinitiv / fxstreet.com / Bloomberg



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Event Corner

ECO Economic Calendars Options

ECO Calendars View Alerts Export

G8 Browse 08:47:04 06/29/22 - 06/29/22

Economic Releases All Economic Releases View Agenda Weekly

Date	Time	C	A	M	R	Event	Period	Surv(M)	Actual	Prior	Revised
06/29	06:30	GE				CPI North Rhine Westphalia MoM	Jun	--	--	0.9%	--
06/29	06:30	GE				CPI North Rhine Westphalia YoY	Jun	--	--	8.1%	--
06/29	07:00	JN				Consumer Confidence Index	Jun	34.8	--	34.1	--
06/29	10:00	EC				M3 Money Supply YoY	May	5.8%	--	6.0%	--
06/29	10:00	GE				CPI Hesse MoM	Jun	--	--	1.0%	--
06/29	10:00	GE				CPI Hesse YoY	Jun	--	--	8.4%	--
06/29	10:00	GE				CPI Bavaria MoM	Jun	--	--	1.0%	--
06/29	10:00	GE				CPI Bavaria YoY	Jun	--	--	8.1%	--
06/29	10:00	GE				CPI Brandenburg MoM	Jun	--	--	1.5%	--
06/29	10:00	GE				CPI Brandenburg YoY	Jun	--	--	8.5%	--
06/29	11:00	GE				CPI Saxony MoM	Jun	--	--	1.1%	--
06/29	11:00	GE				CPI Saxony YoY	Jun	--	--	8.0%	--
06/29	11:00	EC				Economic Confidence	Jun	103.0	--	105.0	--
06/29	11:00	EC				Industrial Confidence	Jun	4.7	--	6.3	--
06/29	11:00	EC				Services Confidence	Jun	12.5	--	14.0	--
06/29	11:00	EC				Consumer Confidence	Jun F	--	--	-23.6	--
06/29	13:00	US				MBA Mortgage Applications	Jun 24	--	--	4.2%	--
06/29	14:00	GE				CPI MoM	Jun P	0.4%	--	0.9%	--
06/29	14:00	GE				CPI YoY	Jun P	7.9%	--	7.9%	--
06/29	14:00	GE				CPI EU Harmonized MoM	Jun P	0.4%	--	1.1%	--
06/29	14:00	GE				CPI EU Harmonized YoY	Jun P	8.8%	--	8.7%	--
06/29	14:30	US				GDP Annualized QoQ	1Q T	-1.5%	--	-1.5%	--
06/29	14:30	US				Personal Consumption	1Q T	3.1%	--	3.1%	--
06/29	14:30	US				GDP Price Index	1Q T	8.1%	--	8.1%	--
06/29	14:30	US				Core PCE QoQ	1Q T	5.1%	--	5.1%	--
06/29	18:00	RU				Retail Sales Real YoY	May	-10.0%	--	-9.7%	--
06/29	18:00	RU				Cargo Shipments YoY	May	-6.6%	--	-5.9%	--

Source: Refinitiv

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