

## Market Corner

**Asian stocks extended their recent rally as several markets returned from holidays, and as traders awaited a key US inflation data release due later Tuesday.**

The MSCI Asia Pacific Index rose as much as 0.5%, poised for a fourth-straight day of gains, driven by technology shares. South Korean stocks led advances among regional benchmarks in a catch-up rally following a four-day weekend.

The US CPI report is expected to show a mixed picture, hinting that inflation may have peaked but remained elevated. This could provide more clues as to the Federal Reserve's rate decision next week, with traders currently expecting another 75-basis-point increase.

**US equities closed higher Monday, notching the biggest four-day gain since late June, as investors bought beaten-down stocks amid hopes that key inflation data will show signs of cooling prices before the Federal Reserve's rates decision next week.**

The S&P 500 Index closed up 1.1%, with all 11 major industry groups in the green, led by the energy and information technology sectors. The tech-heavy Nasdaq 100 climbed 1.2%, and the Dow Jones Industrial advanced 0.7%. Apple Inc., Amazon.com Inc. and Microsoft Corp. were the biggest contributors to the S&P 500's gains.

The stock market rebound comes as equity valuations grow more enticing after last month's selloff, with the S&P 500 trading below its average forward price-to-earnings ratio of the past decade. Data from China on Friday suggested inflation may have peaked globally, helping fuel the rally.

Traders are now preparing for the August consumer price index due Tuesday. The CPI reading is expected to drop 8.5% from July but remain historically high, rising 8% from a year ago.

World Indices	Last	1D Change
<u>Dow Jones</u>	32 381,34	0,71%
<u>S&amp;P 500</u>	4 110,41	1,06%
<u>Nasdaq</u>	12 266,41	1,27%
<u>Eurostoxx 50</u>	3 646,51	2,14%
<u>FTSE 100</u>	7 473,03	1,66%
<u>CAC 40</u>	6 333,59	1,95%
<u>DAX</u>	13 402,27	2,40%
<u>SMI</u>	10 990,75	0,83%
<u>Nikkei</u>	28 614,63	0,25%
<u>Hang Seng</u>	19 440,59	0,40%
<u>CSI 300</u>	4 112,88	0,47%
<u>VIX Index</u>	23,87	4,74%

World Bonds	Last	1D Change
<u>US 10Y</u>	3,3234	-1,02%
<u>EUR 10Y</u>	1,6530	0,00%
<u>Swiss 10Y</u>	0,9750	1,35%
<u>UK 10Y</u>	3,08	-0,42%

Source: Bloomberg



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Geneva, September 13, 2022

## Crypto Corner

**Monetary policy and inflation have been the primary drivers behind this year's slide in cryptocurrency prices, according to FTX's Sam Bankman-Fried.**

"Dollars are up this year," Bankman-Fried said during a broadcast at the SALT conference in New York on Monday. "This is the year of policy change."

Bitcoin, the largest cryptocurrency by market value, has declined about 50% this year. The Bloomberg Dollar Spot Index has climbed about 10% during the same period as the Federal Reserve raises borrowing rates to slow inflation.

Bankman-Fried, who runs one of the world's largest crypto-trading platforms, said he remains optimistic about digital assets because "more regulatory clarity is coming." That will help to "unlock the asset class" for several institutions who want to get involved in the sector, he said.

The venture capital unit of FTX announced last week that it is taking a 30% stake in Anthony Scaramucci's SkyBridge Capital. Scaramucci interviewed Bankman-Fried via video for the conference, which is sponsored by SkyBridge.

Crypto Market Cap: **\$1,06T**

24h Vol: **\$89,6B**

Dominance: **BTC: 40,2% ETH:19,7%**

Crypto	Last	1D Change
<b>Bitcoin</b>	<b>22 433,08</b>	<b>0,10%</b>
<b>Ethereum</b>	<b>1 721,53</b>	<b>-0,17%</b>



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



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## Commodity Corner

**Gold held near its highest level this month, as the dollar continued its retreat amid growing expectations that inflation may have peaked in the US.**

Bullion closed up 0.5% on Monday after earlier hitting \$1,735.14 an ounce, the highest since Aug. 30. Silver jumped 5% in the session, its biggest daily gain since February 2021.

The US will release inflation data for August on Tuesday, with markets expecting annual price increases to fall to 8.1%, which would be the second monthly decline from a peak of 9.1% in June. Consumers are also expecting CPI to fall, according to a survey published Monday by the Federal Reserve Bank of New York.

That would ease pressure on the Fed to keep implementing super-sized rate increases, although officials have signaled another 75-basis point hike is likely next week. The European Central Bank has also indicated it is prepared to boost rates by that amount in October, and Bloomberg Economics is predicting a further 75 basis point rise, in two installments, by February.

Precious Metals		Last	1D Change
<u>Gold</u>		1 724,72	0,01%
<u>Silver</u>		19,74	-0,30%
<u>Platinum</u>		907,14	-0,28%
<u>Palladium</u>		2 197,41	-3,13%

**Oil fluctuated as investors weighed global demand concerns against the tailwind from a weaker dollar, ahead of a US inflation report that will shape Federal Reserve policy and appetite for risk.**

**West Texas Intermediate** futures traded below \$88 a barrel in a volatile session that followed a three-day rally of about 7% as the US currency fell. Morgan Stanley reduced its Brent price forecasts for this quarter and next, according to a note, following a similar move by UBS Group AG earlier this week.

Crude's swings came amid a setback in efforts to revive an Iranian nuclear accord. US Secretary of State Anthony Blinken said it was "unlikely" the US and Iran would reach a new deal anytime soon, echoing comments from France, Germany and the UK and pushing back any future rise in Iranian oil shipments.

World Commodities		Last	1D Change
<u>WTI Crude</u>		88,00	0,25%
<u>Brent Crude</u>		94,17	0,18%
<u>Nat Gas (HH)</u>		8,40	1,87%
<u>Nickel</u>		24 532,50	6,88%
<u>Copper</u>		362,55	0,00%
<u>Corn</u>		721,00	1,23%
<u>Wheat</u>		841,25	-1,41%
<u>Soybean</u>		1 549,75	4,06%
<u>Coffee</u>		227,75	-1,62%
<u>Cotton</u>		110,21	0,63%
<u>Sugar</u>		18,35	0,71%

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



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## FX Corner

**EUR/USD** is clinging onto the recent gains below 1.0150 in early Europe amid a broadly subdued US dollar and negative Treasury yields. The pair is looking forward to the all-important US inflation release before resuming the recovery. German ZEW eyed as well.

**GBP/USD** is picking up fresh bids to recapture 1.1700, as the UK Unemployment Rate sees an unexpected drop to 3.6% in July. Markets remain cautious amid China's stimulus hopes and nervousness ahead of the critical US inflation data.

**USD/JPY** holds lower ground near the short-term key support line. Bearish MACD signals, sustained trading below 21-SMA add strength to the downside bias.

**AUD/USD** bounces off intraday low as it pares the first daily loss in three around 0.6875 during early Tuesday morning in Europe. In doing so, the Aussie pair struggles to cheer mildly positive headlines from China amid pre-US inflation anxiety and mixed geopolitical concerns.

World Currencies	Last	1D Change
<u>EURUSD</u>	1,0148	0,26%
<u>EURCHF</u>	0,9649	0,05%
<u>EURGBP</u>	0,8660	0,05%
<u>EURJPY</u>	144,23	0,25%
<u>USDCHF</u>	0,9508	0,29%
<u>USDJPY</u>	142,12	0,51%
<u>USDCAD</u>	1,2976	0,09%
<u>USDTRY</u>	18,23	-0,05%
<u>GBPUSD</u>	1,1719	0,31%
<u>AUDUSD</u>	0,6884	-0,06%
<u>NZDUSD</u>	0,6137	0,00%

Currencies	S3	S2	S1	R1	R2	R3
EURUSD	0.9816	0.9969	1.0046	1.0199	1.0275	1.0428
USDJPY	139.90	141.35	142.09	143.54	144.25	145.70
GBPUSD	1.1398	1.1528	1.1605	1.1735	1.1788	1.1918
USDCAD	1.2817	1.2910	1.2949	1.3042	1.3096	1.3189
AUDUSD	0.6675	0.6770	0.6829	0.6924	0.6960	0.7055
NZDUSD	0.5915	0.6016	0.6077	0.6178	0.6218	0.6319
USDCHF	0.9340	0.9447	0.9491	0.9598	0.9661	0.9768
USDTRY	17.3922	17.7573	17.9909	18.3560	18.4875	18.8526
XAUUSD	1677.73	1700.82	1712.69	1735.78	1747.00	1770.09
XAGUSD	17.2132	18.3826	19.0901	20.2595	20.7214	21.8908

Source: Refinitiv / fxstreet.com / Bloomberg



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## Event Corner

ECO Economic Calendars											
G8		Browse		08:50:01		09/13/22		09/13/22			
Economic Releases											
Date	Time	C	A	M	R	Event	Period	Surv(M)	Actual	Prior	Revised
09/09-09/13		RU				Budget Balance YTD	Aug	150.0b	--	481.9b	--
09/13	01:50	JN				PPI YoY	Aug	8.9%	--	8.6%	--
09/13	01:50	JN				PPI MoM	Aug	0.3%	--	0.4%	--
09/13	01:50	JN				BSI Large Manufacturing QoQ	3Q	--	--	-9.9	--
09/13	01:50	JN				BSI Large All Industry QoQ	3Q	--	--	-0.9	--
09/13	08:00	UK				Payrolled Employees Monthly Change	Aug	60k	--	73k	--
09/13	08:00	UK				Claimant Count Rate	Aug	--	--	3.9%	--
09/13	08:00	GE				CPI MoM	Aug F	0.3%	--	0.3%	--
09/13	08:00	UK				Jobless Claims Change	Aug	--	--	-10.6k	--
09/13	08:00	GE				CPI YoY	Aug F	7.9%	--	7.9%	--
09/13	08:00	UK				Average Weekly Earnings 3M/YoY	Jul	5.4%	--	5.1%	--
09/13	08:00	GE				CPI EU Harmonized MoM	Aug F	0.4%	--	0.4%	--
09/13	08:00	UK				Weekly Earnings ex Bonus 3M/YoY	Jul	5.1%	--	4.7%	--
09/13	08:00	GE				CPI EU Harmonized YoY	Aug F	8.8%	--	8.8%	--
09/13	08:00	UK				ILO Unemployment Rate 3Mths	Jul	3.8%	--	3.8%	--
09/13	08:00	UK				Employment Change 3M/3M	Jul	128k	--	160k	--
09/13	09:30	UK				Bloomberg Sept. United Kingdom Economic Survey					
09/13	10:00	IT				Unemployment Rate Quarterly	2Q	8.1%	--	8.6%	--
09/13	11:00	GE				ZEW Survey Expectations	Sep	-60.0	--	-55.3	--
09/13	11:00	GE				ZEW Survey Current Situation	Sep	-52.1	--	-47.6	--
09/13	11:00	EC				ZEW Survey Expectations	Sep	--	--	-54.9	--
09/13	12:00	US				NFIB Small Business Optimism	Aug	90.5	--	89.9	--
09/13	14:30	US				CPI MoM	Aug	-0.1%	--	0.0%	--
09/13	14:30	US				CPI Ex Food and Energy MoM	Aug	0.3%	--	0.3%	--
09/13	14:30	US				CPI YoY	Aug	8.0%	--	8.5%	--
09/13	14:30	US				CPI Ex Food and Energy YoY	Aug	6.1%	--	5.9%	--
09/13	14:30	US				CPI Index NSA	Aug	295.635	--	296.276	--
09/13	14:30	US				CPI Core Index SA	Aug	296.280	--	295.275	--
09/13	14:30	US				Real Avg Hourly Earning YoY	Aug	--	--	-3.0%	--
09/13	14:30	US				Real Avg Weekly Earnings YoY	Aug	--	--	-3.6%	--
09/13	20:00	US				Monthly Budget Statement	Aug	-\$220.0b	--	-\$211.1b	--

Source: Refinitiv

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