

## Market Corner

**Asian equities rebounded, led by advances in tech stocks following a rally on Wall Street, as possible delays in the Bank of England's quantitative tightening bolstered investor sentiment.**

The MSCI Asia Pacific Index rose as much as 1.4%, boosted by gains in Tencent, Alibaba and TSMC. All but a sub-gauge of real estate were in the green.

Report that the BoE may delay the sale of billions of pounds of government bonds to foster greater stability in gilt markets following the UK's failed "mini" budget helped lift market sentiment. Tech stocks listed in Hong Kong also climbed after the Nasdaq 100 index had its best day since July.

Most benchmarks were higher, with notable gains in Australia, Japan, Hong Kong, and South Korea. Investors also seem to be shrugging off concerns that China is delaying the release of its 3Q GDP report amid the on-going Party Congress.

The BoE postponing QT "offers the potential for a decline in global rates volatility, a pre-condition for a broader improvement in cross-asset risk sentiment," said Stephen Innes, managing partner at SPI Asset Management.

**US stock index futures rose after the S&P 500 closed above a key technical level on Monday and the UK's move to reverse more of its unfunded tax cuts bolstered global market sentiment.**

Nasdaq 100 futures climbed as much as 2.1%, while S&P 500 futures advanced 1.8% and Dow Jones futures added 1.6%. A Bloomberg gauge of the dollar declined for a second day as most major currencies clawed back some of their recent losses.

Sterling extended gains after the Financial Times reported that the Bank of England is set to further delay quantitative tightening till the gilt market calms.

"UK authorities' efforts to stabilize markets continue, as much more clear messaging and coordinated efforts from the authorities will be needed to reverse the shocks delivered in the first few weeks of the Truss administration," said Charu Chanana, strategist at Saxo Capital Markets.

World Indices	Last	1D Change
<u>Dow Jones</u>	30 185,82	1,86%
<u>S&amp;P 500</u>	3 677,95	2,65%
<u>Nasdaq</u>	10 675,80	3,43%
<u>Eurostoxx 50</u>	3 441,64	1,77%
<u>FTSE 100</u>	6 920,24	0,90%
<u>CAC 40</u>	6 040,66	1,83%
<u>DAX</u>	12 649,03	1,70%
<u>SMI</u>	10 498,71	1,64%
<u>Nikkei</u>	27 156,14	1,42%
<u>Hang Seng</u>	16 741,51	0,77%
<u>CSI 300</u>	3 832,61	-0,36%
<u>VIX Index</u>	31,37	-2,03%

World Bonds	Last	1D Change
<u>US 10Y</u>	3,9819	-0,71%
<u>EUR 10Y</u>	2,2550	-0,62%
<u>Swiss 10Y</u>	1,3220	-0,68%
<u>UK 10Y</u>	3,98	-8,26%

Source: Bloomberg



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Geneva, October 18, 2022

## Crypto Corner

### FTX Trading and its billionaire founder, Sam Bankman-Fried, are being probed by the Texas securities regulator over whether certain lending offerings violate state law.

Texas is investigating whether the company's yield-bearing crypto accounts are illegal securities offerings being sold to U.S. residents, according to a Oct. 14 court filing in the bankruptcy of Voyager Digital Holdings. Until the state determines FTX is complying with the law, the agency said the company shouldn't move forward with its \$1.4 billion purchase of Voyager assets announced last month.

Texas State Securities Board enforcement director Joe Rotunda said he was able to access the company's earn program despite FTX not being registered with the state, according to the filing. Generally, investments are labeled as securities when there's an expectation of profit from management.

Rotunda also cited an article linked to by FTX's app, which explains users can earn yield by participating in staking.

The state securities regulator detailed the probe in bankruptcy court documents in which it objects to FTX's purchase of Voyager after winning an auction. The federal judge overseeing Voyager's bankruptcy will consider the objection before deciding whether to allow the sale to move forward.

"We have an active application for a license which has been pending, and believe we are operating fully within the bounds of what we can do in the interim," according to an FTX spokesperson. "We are working exceptionally hard to ensure Voyager customers get to the best possible outcome -- which we believe will happen if our bid to give assets back to users is approved by the Voyager bankruptcy court."

Rotunda didn't immediately respond to a request for comment.

Crypto Market Cap: [\\$936B](#)

24h Vol: [\\$51,1B](#)

Dominance: [BTC: 40,1%](#) [ETH:17,4%](#)

Crypto	Last	1D Change
<b>Bitcoin</b>	<b>19 574,96</b>	<b>0,23%</b>
<b>Ethereum</b>	<b>1 335,09</b>	<b>0,38%</b>



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

## Commodity Corner

### Gold advanced in Asia on the back of a weaker dollar and a slide in Treasuries amid growing concerns that the global economy could plunge into a recession.

Bullion has had a wild ride this year, tumbling almost 20% since March as the Federal Reserve has aggressively tightened its monetary policy, prompting investors to seek shelter in the US dollar. The non-yielding metal, which typically has a negative correlation with the dollar and rates, has been pressured by the stronger greenback.

Chancellor of the Exchequer Jeremy Hunt's move to rip up what was left of the prime minister's controversial economic program to restore order to the UK public finances boosted the pound and the nation's bonds on Monday, causing the US dollar and Treasury yields to slip. That helped gold, which gained as much as 1.5% in the session.

Bullion is still trading near its lowest level in the month, with concerns of a hawkish Fed policy to quash hot inflation weighing on the metal. In China, President Xi Jinping provided few signs of a letup in the nation's Covid Zero strategy and further support for the ailing property sector.

**Spot gold** gained 0.4% to \$1,656.12 an ounce as of 12:20 p.m. in Singapore, after finishing up 0.3% on Monday. The Bloomberg Dollar Spot Index fell 0.3%. Silver, platinum and palladium advanced.

Precious Metals		Last	1D Change
<u>Gold</u>		1 654,88	0,29%
<u>Silver</u>		18,78	0,65%
<u>Platinum</u>		922,55	0,58%
<u>Palladium</u>		2 019,72	0,94%

### Oil rose after Monday's choppy session as investors weighed signs of a tight market against concerns over a global economic slowdown.

West Texas Intermediate climbed toward \$86 a barrel after closing 0.2% lower on Monday. While time spreads are signaling tightness ahead of OPEC+ output cuts from November, bearish factors such as aggressive monetary policy from central banks to tame inflation continue to drag on the market.

The market is somewhat in "limbo at the moment with a negative macro backdrop and a tighter supply outlook," said Warren Patterson, the head of commodities strategy at ING Groep NV. "At the moment, I suspect the market is more worried about what implications a slowdown will have on demand."

World Commodities		Last	1D Change
<u>WTI Crude</u>		86,23	0,90%
<u>Brent Crude</u>		92,39	0,84%
<u>Nat Gas (HH)</u>		5,93	-1,17%
<u>Nickel</u>		21 446,00	-1,13%
<u>Copper</u>		341,45	-0,03%
<u>Corn</u>		680,75	-0,40%
<u>Wheat</u>		855,00	-0,70%
<u>Soybean</u>		1 380,75	-0,32%
<u>Coffee</u>		195,55	-0,58%
<u>Cotton</u>		83,72	0,76%
<u>Sugar</u>		18,77	-0,37%

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



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## FX Corner

**EUR/USD** has dropped marginally after printing a day's high at 0.9853 in the Tokyo session. After a juggernaut rally, the shared currency bulls are facing a corrective move as the US dollar index (DXY) has attempted a rebound move.

**GBP/USD** takes the bids to refresh intraday high above 1.1400 heading into early European trading. The pair takes clues from the market's latest concerns surrounding the Bank of England's (BOE) next move, as well as the UK's haywire political conditions.

**USD/JPY** is keeping its range around 149.00, the highest level in 32 years. The US dollar recovery combined with firmer risk sentiment pushes the pair northwards despite the looming risks of a Japanese FX market intervention and weaker Treasury yields.

**AUD/USD** is jumping back above 0.6300, as the US dollar recovery loses steam amid risk-on Asian trading this Tuesday. The aussie remains underpinned by hawkish comments from the RBA policymakers and minutes.

World Currencies	Last	1D Change
<u>EURUSD</u>	0,9852	0,11%
<u>EURCHF</u>	0,9792	0,09%
<u>EURGBP</u>	0,8683	-0,23%
<u>EURJPY</u>	146,67	-0,01%
<u>USDCHF</u>	0,9939	0,24%
<u>USDJPY</u>	148,88	0,11%
<u>USDCAD</u>	1,3688	0,20%
<u>USDTRY</u>	18,58	-0,01%
<u>GBPUSD</u>	1,1346	-0,11%
<u>AUDUSD</u>	0,6314	0,37%
<u>NZDUSD</u>	0,5698	1,14%

Currencies	S3	S2	S1	R1	R2	R3
EURUSD	0.9519	0.9660	0.9751	0.9892	0.9942	1.0083
USDJPY	147.43	148.13	148.59	149.29	149.53	150.23
GBPUSD	1.0733	1.1024	1.1191	1.1482	1.1606	1.1897
USDCAD	1.3403	1.3584	1.3650	1.3831	1.3946	1.4127
AUDUSD	0.6018	0.6141	0.6216	0.6339	0.6387	0.6510
NZDUSD	0.5418	0.5515	0.5574	0.5671	0.5709	0.5806
USDCHF	0.9757	0.9873	0.9918	1.0034	1.0105	1.0221
USDTRY	18.5085	18.5460	18.5639	18.6014	18.6210	18.6585
XAUUSD	1605.73	1629.98	1640.04	1664.29	1678.48	1702.73
XAGUSD	17.2353	17.9255	18.2897	18.9799	19.3059	19.9961

Source: Refinitiv / fxstreet.com / Bloomberg



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## Event Corner

ECO Economic Calendars											
G8		Browse		08:39:09		10/18/22		10/18/22			
Economic Releases		All Economic Releases				View		Agenda			
Date	Time	C	A	M	R	Event	Period	Surv(M)	Actual	Prior	Revised
10/14-10/21		US				Monthly Budget Statement	Sep	-\$50.0b	--	-\$64.9b	--
10/18	08:00	EC				EU27 New Car Registrations	Sep	--	--	4.4%	--
10/18	10:00	IT				Trade Balance Total	Aug	--	--	-361m	--
10/18	10:00	IT				Trade Balance EU	Aug	--	--	2466m	--
10/18	11:00	GE				ZEW Survey Expectations	Oct	-66.6	--	-61.9	--
10/18	11:00	GE				ZEW Survey Current Situation	Oct	-68.5	--	-60.5	--
10/18	11:00	EC				ZEW Survey Expectations	Oct	--	--	-60.7	--
10/18	14:15	CA				Housing Starts	Sep	265.0k	--	267.4k	--
10/18	14:30	CA				Int'l Securities Transactions	Aug	--	--	14.83b	--
10/18	15:15	US				Industrial Production MoM	Sep	0.1%	--	-0.2%	--
10/18	15:15	US				Capacity Utilization	Sep	80.0%	--	80.0%	--
10/18	15:15	US				Manufacturing (SIC) Production	Sep	0.3%	--	0.1%	--
10/18	16:00	US				NAHB Housing Market Index	Oct	43	--	46	--
10/18	22:00	US				Net Long-term TIC Flows	Aug	--	--	\$21.4b	--
10/18	22:00	US				Total Net TIC Flows	Aug	--	--	\$153.5b	--

Source: Refinitiv

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