

Market Corner

Asian stocks fell as caution prevailed ahead of the Lunar New Year holidays. Japanese shares advanced after the Bank of Japan announced no change to its yield curve control policy.

The MSCI Asia Pacific Index fell as much as 0.7%. South Korea was among the biggest losers, dragged by a loss in Samsung Electronics. Chinese shares edged lower in thin volumes before market closures next week.

Benchmarks in Japan jumped as the yen fell after the BOJ kept policy on hold. Shares of the nation's megabanks fell, weighing on the regional index and paring recent gains over speculation that the central bank was moving toward ending its easy-money stance

Equities fell Tuesday, snapping a four-day winning streak, after disappointing earnings reports from companies as diverse as Goldman Sachs & Co. and Whirlpool Corp.

The S&P 500 Index ended 0.2% lower after fluctuating between gains and losses, with materials stocks falling and information technology stocks outperforming. Goldman Sachs was among the worst performers as 308 stocks fell, 190 gained and 5 were unchanged. The Dow Jones Industrial Average, which includes banks among its key members, fell 1.1%, while the tech-heavy Nasdaq 100 eked out a 0.1% gain.

<u>World Indices</u>	<u>Last</u>	<u>1D Change</u>
<u>Dow Jones</u>	33 910,85	-1,14%
<u>S&P 500</u>	3 990,97	-0,20%
<u>Nasdaq</u>	11 095,11	0,14%
<u>Eurostoxx 50</u>	4 174,33	0,42%
<u>FTSE 100</u>	7 851,03	-0,12%
<u>CAC 40</u>	7 077,16	0,48%
<u>DAX</u>	15 187,07	0,35%
<u>SMI</u>	11 401,99	-0,30%
<u>Nikkei</u>	26 791,12	2,50%
<u>Hang Seng</u>	21 570,96	-0,03%
<u>CSI 300</u>	4 128,84	-0,20%
<u>VIX Index</u>	19,36	-0,67%

<u>World Bonds</u>	<u>Last</u>	<u>1D Change</u>
<u>US 10Y</u>	3,4720	-2,13%
<u>EUR 10Y</u>	2,0910	-3,86%
<u>Swiss 10Y</u>	1,0780	-4,01%
<u>UK 10Y</u>	3,32	-1,77%

Source: Bloomberg



Morning Call
Geneva, January 18, 2023

Crypto Corner

Sam Bankman-Fried, the fallen crypto entrepreneur who faces trial in the US on fraud charges, reiterated his claim that the FTX US crypto exchange “was and is solvent.”

In a statement on Substack on Tuesday, he said that FTX US likely has “hundreds of millions of dollars in excess of customer balances.” The 30-year-old also referenced the Substack post on his Twitter account.

FTX Debtors as part of the exchange’s bankruptcy process said earlier Tuesday “there is a substantial shortfall of digital assets at both” FTX.com and FTX US. Bankman-Fried in his more than 1,000-word statement argued they had made a mistake in their tally of assets.

Bankman-Fried is on bail and wearing an electronic monitoring bracelet while living at his parents’ home in California. He faces trial in October after pleading not guilty to fraud and campaign-finance law charges.

Prosecutors allege he’s behind one of the biggest scams in US history after fraudulently raising \$1.8 billion from investors under the guise of FTX having appropriate controls and risk management. He’s also accused of misusing customer funds at FTX to cover personal expenses, real-estate purchases and trading at the now-collapsed Alameda.

FTX Debtors said a total of approximately \$5.5 billion of liquid assets have been identified, comprised of \$1.7 billion of cash, \$3.5 billion of crypto assets and \$300 million of securities.

They also said that about \$413 million was extracted from the FTX platforms through unauthorized third-party transfers — \$323 million from FTX.com, the international version of the exchange, and \$90 million from FTX US.

A huge hack befell FTX within hours of its bankruptcy in November last year, adding to the ignominy of its collapse.

Crypto Market Cap: **\$996B**

24h Vol: **\$48,4B**

Dominance: **BTC: 41,2% ETH:19,5%**

Crypto	Last	1D Change
Bitcoin	21 262,88	-0,25%
Ethereum	1 581,85	0,06%



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

Commodity Corner

Gold extended a drop for a third day as the US dollar strengthened ahead of economic data that could provide further clues on the outlook for the Federal Reserve's rate-hike program.

The precious metal has rallied in the past two months to hit an eight-month high Friday. That followed months of declines when monetary tightening weighed on the non-yielding asset. The dollar gained and the benchmark Japanese government bond yields pushed higher after the Asian nation's central bank kept its key settings unchanged.

Traders will turn to US data due later Wednesday, including retail sales and the producer price index, for more indications about the Fed's future monetary-policy tightening path. Several US central bank officials will also be speaking this week.

Spot gold dropped 0.5% to \$1,898.34 an ounce as of 12:10 p.m. in Singapore, after falling 0.4% on Tuesday. The Bloomberg Dollar Spot Index climbed 0.5%. Silver, platinum and palladium were little changed.

Precious Metals	Last	1D Change
<u>Gold</u>	1 903,72	-0,26%
<u>Silver</u>	24,02	0,38%
<u>Platinum</u>	1 041,13	-0,23%
<u>Palladium</u>	1 736,77	-0,50%

Oil headed for the highest close since early December on optimism Chinese demand will recover rapidly following the abandonment of Covid Zero, and ahead of the International Energy Agency's latest outlook.

West Texas Intermediate climbed toward \$81 a barrel, building on a modest gain on Tuesday and last week's jump of more than 8%. OPEC Secretary General Haitham Al-Ghais said he's "cautiously optimistic" about the global economy after the cartel forecast a balanced crude market this quarter.

The IEA, which advises major economies, issues its monthly analysis later on Wednesday. It may reflect China's swift reopening as well as the expected impact of sanctions on Russian flows in response to the war in Ukraine.

Crude has navigated a rocky start to the year, sinking in the opening week on global slowdown concerns, before rebounding strongly. Aside from China's pivot, oil has found support from a weaker dollar and expectations the Federal Reserve is coming to the end of an aggressive run of interest-rate hikes.

World Commodities	Last	1D Change
<u>WTI Crude</u>	81,05	1,09%
<u>Brent Crude</u>	86,69	0,90%
<u>Nat Gas (HH)</u>	3,59	0,20%
<u>Nickel</u>	26 545,00	-1,96%
<u>Copper</u>	424,45	0,51%
<u>Corn</u>	684,75	-0,07%
<u>Wheat</u>	748,50	-0,43%
<u>Soybean</u>	1 543,75	0,26%
<u>Coffee</u>	151,10	-0,40%
<u>Cotton</u>	84,05	1,49%
<u>Sugar</u>	20,14	2,08%

Source: fxstreet.com / Bloomberg



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FX Corner

EUR/USD stays on the bear's radar as it slides to 1.0770 during the four-day south-run heading into Wednesday's European session. In doing so, the major currency pair bears the burden of the broad US Dollar rebound, as well as receding hawkish bias over the European Central Bank's (ECB) next move.

GBP/USD is holding the renewed upside above 1.2300, unperturbed by the mixed UK CPI data. The annualized UK headline CPI eased further to 10.5% in December while the monthly figure matched estimates with 0.4%.

USD/JPY is rallying hard beyond 131.00 after the Bank of Japan (BoJ) announced no changes to its monetary and yield control policy on Wednesday. The Japanese yen is reversing a part of its recent uptrend, as the BoJ defies market pressure. Kuroda eyed.

AUD/USD continues with its struggle to find acceptance above the 0.7000 psychological mark and surrenders its modest intraday gains registered during the Asian session. Spot prices retreat to the lower end of the daily range, around the 0.6980-0.6975 region, and remain at the mercy of the US Dollar price dynamics.

World Currencies	Last	1D Change
<u>EURUSD</u>	1,0794	0,06%
<u>EURCHF</u>	0,9954	-0,07%
<u>EURGBP</u>	0,8770	0,10%
<u>EURJPY</u>	141,04	-1,99%
<u>USDCHF</u>	0,9221	0,00%
<u>USDJPY</u>	130,67	-1,95%
<u>USDCAD</u>	1,3366	0,17%
<u>USDTRY</u>	18,79	-0,23%
<u>GBPUSD</u>	1,2307	0,17%
<u>AUDUSD</u>	0,7015	0,39%
<u>NZDUSD</u>	0,6468	0,67%

Currencies	S3	S2	S1	R1	R2	R3
EURUSD	1.0623	1.0717	1.0752	1.0846	1.0905	1.0999
USDJPY	126.10	127.26	127.69	128.85	129.58	130.74
GBPUSD	1.1992	1.2122	1.2205	1.2335	1.2382	1.2512
USDCAD	1.3262	1.3330	1.3360	1.3428	1.3466	1.3534
AUDUSD	0.6838	0.6905	0.6946	0.7013	0.7039	0.7106
NZDUSD	0.6268	0.6339	0.6382	0.6453	0.6481	0.6552
USDCHF	0.9052	0.9140	0.9181	0.9269	0.9316	0.9404
USDTRY	18.6583	18.7119	18.7307	18.7843	18.8191	18.8727
XAUUSD	1880.03	1895.29	1901.99	1917.25	1925.81	1941.07
XAGUSD	22.9611	23.5023	23.7154	24.2566	24.5847	25.1259

Source: fxstreet.com / Bloomberg



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Event Corner

ECO Economic Calendars							Options				
G8		Browse		08:55:00		01/18/23		01/18/23			
Economic Releases		All Economic Releases				View		Agenda			
Date	Time	C	A	M	R	Event	Period	Surv(M)	Actual	Prior	Revised
01/18	05:30	JN				Industrial Production YoY	Nov F	--	--	-1.3%	--
01/18	05:30	JN				Capacity Utilization MoM	Nov	--	--	2.2%	--
01/18	08:00	UK				CPIH YoY	Dec	9.2%	--	9.3%	--
01/18	08:00	UK				CPI MoM	Dec	0.3%	--	0.4%	--
01/18	08:00	UK				CPI YoY	Dec	10.5%	--	10.7%	--
01/18	08:00	UK				CPI Core YoY	Dec	6.2%	--	6.3%	--
01/18	08:00	UK				Retail Price Index	Dec	360.9	--	358.3	--
01/18	08:00	UK				RPI MoM	Dec	0.7%	--	0.6%	--
01/18	08:00	UK				RPI YoY	Dec	13.6%	--	14.0%	--
01/18	08:00	UK				RPI Ex Mort Int.Payments (YoY)	Dec	13.0%	--	13.5%	--
01/18	08:00	EC				EU27 New Car Registrations	Dec	--	--	16.3%	--
01/18	10:00	IT				Trade Balance Total	Nov	--	--	-2123m	--
01/18	10:00	IT				Trade Balance EU	Nov	--	--	104m	--
01/18	10:30	UK				House Price Index YoY	Nov	10.3%	--	12.6%	--
01/18	10:30	UK				Output Per Hour YoY	3Q F	--	--	1.4%	--
01/18	11:00	EC				Construction Output MoM	Nov	--	--	1.3%	--
01/18	11:00	EC				Construction Output YoY	Nov	--	--	2.2%	--
01/18	11:00	EC				CPI MoM	Dec F	-0.3%	--	-0.3%	--
01/18	11:00	EC				CPI YoY	Dec F	9.2%	--	9.2%	--
01/18	11:00	EC				CPI Core YoY	Dec F	5.2%	--	5.2%	--
01/18	13:00	US				MBA Mortgage Applications	Jan 13	--	--	1.2%	--
01/18	14:30	US				New York Fed Services Business Activity	Jan	--	--	-17.6	--
01/18	14:30	US				Retail Sales Advance MoM	Dec	-0.9%	--	-0.6%	--
01/18	14:30	CA				Industrial Product Price MoM	Dec	--	--	-0.4%	--
01/18	14:30	US				Retail Sales Ex Auto MoM	Dec	-0.5%	--	-0.2%	--
01/18	14:30	CA				Raw Materials Price Index MoM	Dec	--	--	-0.8%	--
01/18	14:30	US				Retail Sales Ex Auto and Gas	Dec	-0.2%	--	-0.2%	--
01/18	14:30	US				Retail Sales Control Group	Dec	-0.4%	--	-0.2%	--
01/18	14:30	US				PPI Final Demand MoM	Dec	-0.1%	--	0.3%	--
01/18	14:30	US				PPI Ex Food and Energy MoM	Dec	0.1%	--	0.4%	--
01/18	14:30	US				PPI Ex Food, Energy, Trade MoM	Dec	0.2%	--	0.3%	--
01/18	14:30	US				PPI Final Demand YoY	Dec	6.8%	--	7.4%	--
01/18	14:30	US				PPI Ex Food and Energy YoY	Dec	5.5%	--	6.2%	--
01/18	14:30	US				PPI Ex Food, Energy, Trade YoY	Dec	4.6%	--	4.9%	--
01/18	15:15	US				Industrial Production MoM	Dec	-0.1%	--	-0.2%	--
01/18	15:15	US				Manufacturing (SIC) Production	Dec	-0.2%	--	-0.6%	--
01/18	15:15	US				Capacity Utilization	Dec	79.6%	--	79.7%	--
01/18	16:00	US				Business Inventories	Nov	0.4%	--	0.3%	--
01/18	16:00	US				NAHB Housing Market Index	Jan	31	--	31	--
01/18	17:00	RU				CPI WoW	Jan 16	--	--	--	--
01/18	17:00	RU				CPI Weekly YTD	Jan 16	--	--	0.24%	--
01/18	20:00	US				Federal Reserve Releases Beige Book					
01/18	22:00	US				Net Long-term TIC Flows	Nov	--	--	\$67.8b	--
01/18	22:00	US				Total Net TIC Flows	Nov	--	--	\$179.9b	--
01/18		JN				BOJ Policy Balance Rate	Jan 18	-0.100%	--	-0.100%	--
01/18		JN				BOJ 10-Yr Yield Target	Jan 18	0.000%	--	0.000%	--
01/18		JN				BOJ CPI Current Forecast	1Q	--	--	2.0%	--

Source: Refinitiv

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