

## Market Corner

**Asia equities were set to snap a three-day rally as lingering concerns over the health of the banking sector pushed a gauge of the region's financial shares lower.**

The MSCI Asia Pacific Index fell as much as 0.5% before trimming losses, with its 11 sectoral sub-gauges showing mixed moves. Most markets declined, led by South Korea's Kospi Index, while Chinese tech shares extended their rally on the back of positive earnings.

An index of Asian financial stocks dropped as much as 0.9%, tracking overnight declines in a measure of US financial heavyweights to the lowest since November 2020. Treasury Secretary Janet Yellen's comments that authorities can take further steps to protect the banking system if needed failed to fully assuage concerns.

The dollar's recent weakness, which had supported the outlook for the region's currencies and other assets, also took a breather on Friday. The Bloomberg dollar index rose 0.1% after a six-day run of declines.

**US equities staged a late-afternoon rally Thursday thanks to gains in the tech sector, which offset further banking turmoil as Treasury Secretary Janet Yellen said the government would take further actions to backstop banking deposits if needed.**

The S&P 500 Index staged a late-day rally to close up 0.3%, thanks to gains in information technology and communication services sectors. The Dow Jones Industrial Average erased mid-afternoon losses to rally 0.2% while the Nasdaq 100 was up 1.3%.

The banking sector was briefly dragged benchmarks lower Thursday, with the KBW Bank Index falling 1.7%, as Treasury Secretary Janet Yellen weighed comments on deposit guarantees amid stress in the financial sector.

Tech stocks continued to climb with Netflix and Micron Technology both advancing. Snap Inc. led social media stocks higher after rolling out new products and as competitor TikTok CEO Shou Chew defended his company as US lawmakers, who were calling for the platform to be banned, grilled him ties to China.

Gains were largely concentrated in yield-sensitive stocks. "If you look at what's leading the market, it's technology, communication services, and those are the groups that are extremely highly influenced by the move in yields. So if yields are coming back, you're going to see those stocks benefit," Roth MKM chief technical strategist JC O'Hara said.

World Indices	Last	1D Change	YTD
Dow Jones	32 105.3	0.23%	-3.14%
S&P 500	3 948.7	0.30%	2.84%
Nasdaq	11 787.4	1.01%	12.62%
Eurostoxx 50	4 207.1	0.27%	10.90%
FTSE 100	7 499.6	-0.89%	0.64%
CAC 40	7 139.3	0.11%	10.28%
DAX	15 210.4	-0.04%	9.24%
SMI	10 718.5	-0.59%	-0.10%
Nikkei	27 385.3	-0.13%	4.95%
Hang Seng	19 887.0	-0.81%	0.55%
CSI 300	4 025.1	-0.35%	3.97%
VIX Index	22.6	1.57%	4.34%

World Bonds	Last	1D Change	YTD
US 10Y	3.4023	-0.02	-0.469
EUR 10Y	2.1950	-0.13	-0.376
Swiss 10Y	1.1720	-0.06	-0.445
UK 10Y	3.3600	-0.09	-0.312

Source: Bloomberg



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Geneva, March 24, 2023

## Crypto Corner

**Terraform Labs co-founder Do Kwon, who presided over a more than \$40 billion cryptocurrency implosion last year, was arrested in Montenegro and charged with fraud by US prosecutors.**

The developments came just over a month after the US Securities and Exchange Commission sued the 31-year-old as well as Terraform Labs. It is unclear whether his arrest was at the request of US authorities. He also faces an arrest warrant in South Korea on securities-law violations.

Kwon was detained in Podgorica along with Hon Chang Joon while trying to fly to Dubai using falsified Costa Rican traveling documents, Montenegro's Interior Ministry said in a statement Thursday.

The two were also found with Belgian and South Korean travel documents, the ministry said. The Belgian papers were falsified, according to Interpol. Police took three laptops and five cell phones from the pair, the ministry said.

Kwon's whereabouts have been the source of constant speculation since September, when authorities in his native South Korea issued a warrant for his arrest on allegations including breaches of capital-markets law. The country has stripped him of his passport and said he's the subject of an Interpol red notice.

Kwon found himself at the center of one of the crypto sector's most damaging episodes last May, when the TerraUSD stablecoin he helped create and its sister token Luna suddenly cratered. That event set off a chain of failures across the digital-assets space that culminated with the bankruptcy of Sam Bankman-Fried's FTX six months later. Outfits from hedge fund Three Arrows Capital to lender Celsius Network toppled along the way.

Kwon didn't immediately respond to efforts to contact him via Telegram message and email. Representatives of Terraform Labs did not respond to a request for comment. The entrepreneur has previously denied wrongdoing and that he was a fugitive from justice. South Korean prosecutors and police couldn't immediately be reached after regular hours. A successor to the Luna token fell more than 7% after news of the arrest before recouping some losses, according to CoinGecko.

In February, the SEC turned up the heat on Kwon when it alleged in federal court that Terraform Labs and Kwon offered and sold unregistered securities, including the stablecoin, and carried out a scheme that wiped out at least \$40 billion worth of market value.

Crypto Market Cap: [1.18T](#)

24h Vol: [\\$54.2B](#)

Dominance: [BTC: 46.2%](#) [ETH:18.8%](#)

Crypto	Last	1D Change	YTD
Bitcoin	28 304.46	-0.10%	71.10%
Ethereum	1 815.09	-0.22%	51.31%



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

## Commodity Corner

**Gold steadied after rising almost 3% over the previous two sessions as traders assessed mixed signals on monetary policy from the Federal Reserve.**

Bullion, which was trading just under the \$2,000 an ounce mark near a one-year high, is also still getting some haven support from the banking crises and is little changed for the week. Treasury yields fell for a third day, aiding non-interest-bearing gold.

Fed Chair Jerome Powell said Wednesday that a pause in rate hikes had been considered because of the banking turmoil, but inflation was a top concern and borrowing costs would be raised more-than-expected if needed

Data on Thursday showed unexpected strength in the US labor market, keeping the focus on inflationary pressures

**Spot gold** declined 0.1% to \$1,991.41 an ounce as of 8:18 a.m. in Singapore. The Bloomberg Dollar Spot Index rose 0.1% and is down 1.1% for the week. Silver, platinum and palladium all edged lower

Precious Metals	Last	1D Change	YTD
Gold	1 987.04	-0.32%	8.93%
Silver	23.03	-0.34%	-3.88%
Platinum	987.00	-0.26%	-8.11%
Palladium	1 422.68	-0.83%	-20.65%

**Oil headed for a weekly advance as speculation that the Federal Reserve may be close to ending its rate-hiking cycle undermined the dollar just as China continued to leave Covid Zero further behind.**

West Texas Intermediate traded near \$70 a barrel after erasing an intraday loss. The US crude benchmark has advanced by more than \$3 a barrel this week, while the US currency has lost more than 1%. Oil's weekly gain follows a significant decline in the prior five-day period as banking crises flared.

Crude remains on course for its steepest first-quarter drop since 2020, when the pandemic eviscerated demand. That slump has been driven by a potential US recession, robust Russian flows despite Western sanctions, and strikes at refineries in France. Still, after the Federal Reserve hiked interest rates again this week, more investors are betting that its tightening campaign is now close to an end, hurting the US currency and aiding dollar-priced commodities.

World Commodities	Last	1D Change
WTI Crude	70.01	0.07%
Brent Crude	75.92	0.01%
Nat Gas (HH)	2.17	0.60%
Nickel	22 352.00	0.33%
Copper	414.60	1.90%
Corn	633.50	0.28%
Wheat	665.75	0.57%
Soybean	1 422.00	0.18%
Coffee	174.30	-2.08%
Cotton	77.79	0.27%
Sugar	20.89	-1.18%

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

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## FX Corner

**EUR/USD** is stalling the previous day's retracement slide from the 1.0930 region, or its highest level since early February, and oscillates in a narrow trading band ahead of the European open this Friday. All eyes remain on the Eurozone and US PMI data.

**GBP/USD** continues to trade marginally lower on the day below 1.2300 early Friday. The data from the UK showed that Retail Sales rose by 1.2% in February, compared to the market expectation of 0.2%, but failed to provide a boost to the Pound Sterling ahead of PMI data.

**USD/JPY** is bouncing off six-week lows at 130.18 but remains under strong selling pressure early Friday. Mixed Japan's inflation data from Japan and a negative risk environment are weighing on the pair. Broad US Dollar rebound is supporting the major ahead of US PMIs.

**AUD/USD** prints the first daily loss in three around 0.6670 while bracing for the weekly loss during early Friday. In doing so, the Aussie pair justifies its risk barometer status, as well as downbeat activity data at home.

World Currencies	Last	1D Change	YTD
EURUSD	1.0825	-0.06%	1.11%
EURCHF	0.9934	-0.06%	-0.40%
EURGBP	0.8818	-0.02%	-0.40%
EURJPY	141.2200	0.36%	-0.56%
USDCHF	0.9177	-0.13%	-0.71%
USDJPY	130.4600	0.30%	0.50%
USDCAD	1.3721	-0.04%	-1.23%
USDTRY	19.0612	-0.14%	-1.87%
GBPUSD	1.2276	-0.09%	1.57%
AUDUSD	0.6686	0.03%	-1.85%
NZDUSD	0.6234	-0.26%	-1.83%

Currencies	S3	S2	S1	R1	R2	R3
EURUSD	1.0652	1.0757	1.0794	1.0899	1.0967	1.1072
USDJPY	128.2633	129.6033	130.2267	131.5667	132.2833	133.6233
GBPUSD	1.2134	1.2216	1.2251	1.2333	1.2380	1.2462
USDCAD	1.3486	1.3590	1.3652	1.3756	1.3798	1.3902
AUDUSD	0.6533	0.6618	0.6651	0.6736	0.6788	0.6873
NZDUSD	0.6104	0.6179	0.6215	0.6290	0.6329	0.6404
USDCHF	0.9036	0.9096	0.9130	0.9190	0.9216	0.9276
USDTRY	18.6095	18.8297	18.9324	19.1526	19.2701	19.4903
XAUUSD	1911.840	1949.640	1971.520	2009.320	2025.240	2063.040
XAGUSD	22.1065	22.5679	22.8362	23.2976	23.4907	23.9521

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



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## Event Corner

ECO Economic Calendars										Options	
G8		Browse		08:29:54		03/24/23		03/24/23			
Economic Releases										View Agenda Weekly	
Date	Time	C	A	M	R	Event	Period	Surv(M)	Actual	Prior	Revised
03/24	00:30	JN				Natl CPI YoY	Feb	3.3%	--	4.3%	--
03/24	00:30	JN				Natl CPI Ex Fresh Food YoY	Feb	3.1%	--	4.2%	--
03/24	00:30	JN				Natl CPI Ex Fresh Food, Energy YoY	Feb	3.4%	--	3.2%	--
03/24	00:50	JN				Japan Buying Foreign Bonds	Mar 17	--	--	¥909.5b	--
03/24	00:50	JN				Foreign Buying Japan Bonds	Mar 17	--	--	-¥156.8b	--
03/24	00:50	JN				Japan Buying Foreign Stocks	Mar 17	--	--	-¥169.7b	--
03/24	00:50	JN				Foreign Buying Japan Stocks	Mar 17	--	--	-¥834.2b	--
03/24	01:01	UK				GfK Consumer Confidence	Mar	-36	--	-38	--
03/24	01:30	JN				Jibun Bank Japan PMI Composite	Mar P	--	--	51.1	--
03/24	01:30	JN				Jibun Bank Japan PMI Mfg	Mar P	--	--	47.7	--
03/24	01:30	JN				Jibun Bank Japan PMI Services	Mar P	--	--	54.0	--
03/24	08:00	UK				Retail Sales Inc Auto Fuel MoM	Feb	0.2%	--	0.5%	--
03/24	08:00	UK				Retail Sales Inc Auto Fuel YoY	Feb	-4.7%	--	-5.1%	--
03/24	08:00	UK				Retail Sales Ex Auto Fuel MoM	Feb	0.2%	--	0.4%	--
03/24	08:00	UK				Retail Sales Ex Auto Fuel YoY	Feb	-4.8%	--	-5.3%	--
03/24	08:45	FR				Wages QoQ	4Q F	0.6%	--	0.6%	--
03/24	09:00	RU				Money Supply Narrow Def	Mar 17	--	--	16.83t	--
03/24	09:15	FR				S&P Global France Composite PMI	Mar P	51.5	--	51.7	--
03/24	09:15	FR				S&P Global France Manufacturing PMI	Mar P	48.0	--	47.4	--
03/24	09:15	FR				S&P Global France Services PMI	Mar P	52.5	--	53.1	--
03/24	09:30	GE				S&P Global/BME Germany Manufacturing PMI	Mar P	47.0	--	46.3	--
03/24	09:30	GE				S&P Global Germany Services PMI	Mar P	51.0	--	50.9	--
03/24	09:30	GE				S&P Global Germany Composite PMI	Mar P	51.0	--	50.7	--
03/24	10:00	EC				S&P Global Eurozone Manufacturing PMI	Mar P	49.0	--	48.5	--
03/24	10:00	EC				S&P Global Eurozone Composite PMI	Mar P	52.0	--	52.0	--
03/24	10:00	EC				S&P Global Eurozone Services PMI	Mar P	52.5	--	52.7	--
03/24	10:30	UK				S&P Global/CIPS UK Manufacturing PMI	Mar P	49.7	--	49.3	--
03/24	10:30	UK				S&P Global/CIPS UK Services PMI	Mar P	53.0	--	53.5	--
03/24	10:30	UK				S&P Global/CIPS UK Composite PMI	Mar P	52.7	--	53.1	--
03/24	13:30	CA				Retail Sales MoM	Jan	0.7%	--	0.5%	--
03/24	13:30	CA				Retail Sales Ex Auto MoM	Jan	0.6%	--	-0.6%	--
03/24	13:30	US				Durable Goods Orders	Feb P	0.5%	--	-4.5%	--
03/24	13:30	US				Durables Ex Transportation	Feb P	0.2%	--	0.8%	--
03/24	13:30	US				Cap Goods Orders Nondef Ex Air	Feb P	-0.2%	--	0.8%	--
03/24	13:30	US				Cap Goods Ship Nondef Ex Air	Feb P	0.2%	--	1.1%	--
03/24	14:45	US				S&P Global US Manufacturing PMI	Mar P	47.0	--	47.3	--
03/24	14:45	US				S&P Global US Services PMI	Mar P	50.3	--	50.6	--
03/24	14:45	US				S&P Global US Composite PMI	Mar P	49.5	--	50.1	--
03/24	15:00	US				Revisions: Wholesale Inventories					
03/24	16:00	US				Kansas City Fed Services Activity	Mar	--	--	1	--
03/24-03/30		GE				Import Price Index MoM	Feb	--	--	-1.2%	--
03/24-03/30		GE				Import Price Index YoY	Feb	--	--	6.6%	--

Source: Refinitiv

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