

## Morning Call

Geneva, April 5, 2023

# Market Corner

### Asian stocks fell, led by a slump in the heavyweight Japanese market, as investors remain concerned about the impact of higher borrowing costs on the world economy.

The MSCI Asia Pacific Index fell as much as 0.4% with Toyota Motor and Keyence among the biggest drags on the gauge. New Zealand's equity benchmark erased gains to fall as much as 0.6% while its currency jumped after the central bank unexpectedly raised interest rates by 50 basis points. Markets in China, Hong Kong and Taiwan were shut for a holiday.

Japan's Topix slid as much as 1.7% with the yen's recent strength also weighing on local shares. The currency has climbed about 5% from its March low against the dollar and a renewed focus on the narrowing gap between US and Japanese yields has opened up the door for further gains, some traders say.

"The US economy itself may be a principal factor for the decline" in Japanese shares, said Ikuo Mitsui, fund manager at Aizawa Securities Group. "The domestic market began the day with a selloff due to concerns about the US and global economies."

### US equities slid Tuesday, halting a four-day rally after soft labor market data and a warning from Jamie Dimon on banks spurred recessionary jitters.

The S&P 500 closed down 0.6% as financial heavyweights including JPMorgan Chase & Co. and Citigroup Inc. each fell 1.3%. Regional lenders were the biggest laggards, with names like Keycorp and First Republic each tumbling more than 5%. The S&P 500 missed out on its longest winning streak since November 2021 after failing to close higher for a fifth straight day. The Nasdaq 100 fell 0.4%, while the Dow Jones Industrial Average dropped 0.6%.

JPMorgan's Dimon warned earlier in the day that the US banking crisis that sent markets cratering last month is "not yet over" and will be felt for years. The view echoed a Monday note by Marko Kolanovic, JPMorgan's top equity strategist, that said a recent lull in stocks is the "calm before the storm," with more bank turmoil likely ahead.

World Indices	Last	1D Change	YTD
Dow Jones	33 402.4	-0.59%	0.77%
S&P 500	4 100.6	-0.58%	6.80%
Nasdaq	12 126.3	-0.52%	15.86%
Eurostoxx 50	4 315.3	0.10%	13.75%
FTSE 100	7 634.5	-0.50%	2.45%
CAC 40	7 345.0	-0.01%	13.46%
DAX	15 603.5	0.14%	12.07%
SMI	11 073.5	-0.18%	3.21%
Nikkei	27 826.5	-1.63%	6.65%
Hang Seng	20 274.6	-0.66%	2.49%
CSI 300	4 103.1	0.31%	5.98%
VIX Index	19.0	2.43%	-12.32%

World Bonds	Last	1D Change	YTD
US 10Y	3.3479	0.01	-0.529
EUR 10Y	2.2490	-0.01	-0.322
Swiss 10Y	1.2810	0.04	-0.336
UK 10Y	3.4340	0.00	-0.238

Source: Bloomberg



# Morning Call

Geneva, April 5, 2023

## Crypto Corner

**Bitcoin trended toward the high end of its recent range of around \$28,000, while Dogecoin continued to benefit from Elon Musk’s flirtation with the meme token.**

The largest cryptocurrency by market value rose as much as 3.1% to \$28,442 on Tuesday, its first session higher in three. Bitcoin has traded around \$28,000 since breaching that level last month for the first time since June. Ether rose about 4.8%, while Polkadot increased 4.6% and Binance Coin climbed 3.3%.

Dogecoin has jumped as much as 30% after Twitter users noticed Monday that their home buttons changed into the dog meme after which the cryptocurrency is named. Dogecoin rose to as high as 10.3 cents.

Twitter didn’t respond Monday to a question about the home button change. Later in the day, the platform’s owner Elon Musk posted a photo of an earlier exchange in which a Twitter user urged him to change the bird logo to a doge. Musk tweeted: “As promised.”

“BTC had a good monthly and quarterly close Sunday night, so it kept continuing its macro-trend already before Doge and is now trading in a range whilst forming support on the back of a more bullish sentiment overall in crypto and risk assets,” said Garry Krugljakow, founder of OVIX, an open-source DeFi protocol for lending and borrowing. “Doge has definitely led the narrative in the past 24 hours.”

Krugljakow added that: “It remains to be seen if Musk is serious about using \$DOGE for payments or he is just doing his usual thing.”

Meanwhile, the sales volume of Donald Trump-themed NFTs continued to climb while the former US president was indicted in lower Manhattan on Tuesday.

Sales volume for the official Trump collection rose 125% in the past 24 hours, to about \$36,000, according to tracker NFT Price Floor. The sales volume is still down about 19% over the last 90 days, according to the site. The collection’s floor price — the lowest price someone may pay for an NFT — is standing at \$895, up from about \$71 in mid-December, but lower than it was in mid-February.

Crypto	Last	1D Change	YTD
Bitcoin	28 569.14	1.10%	72.70%
Ethereum	1 912.35	1.81%	59.37%

Crypto Market Cap: [1.2T](#)

24h Vol: [\\$45.5B](#)

Dominance: [BTC: 45.8%](#) [ETH:19.1%](#)



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

## Morning Call

Geneva, April 5, 2023

# Commodity Corner

**Gold held its surge to a 13-month high and may test its record price, helped by a falling dollar, increasing haven bets and speculation aggressive monetary tightening in the US is nearing an end.**

The precious metal on Tuesday closed above the \$2,000 an ounce threshold for the first time since March 2022 after data showed vacancies at US employers dropped in February to the lowest since May 2021.

The data raised concerns that the world's biggest economy may be edging toward recession, while boosting the likelihood the Federal Reserve will further ease its rate-hike cycle. A falling greenback this week has been another positive for non-interest-yielding bullion, which could test its record high of \$2,075.47 reached in August 2020.

**Spot gold** was little changed at \$2,021.05 an ounce as of 9:50 a.m. in Singapore, after closing up 1.8% in the previous session. The Bloomberg Dollar Spot Index eased for a third day. Silver edged up after surging 4.3% on Tuesday, while platinum also rose, and palladium slid.

Precious Metals	Last	1D Change	YTD
Gold	2 023.86	0.17%	10.99%
Silver	25.00	-0.04%	4.39%
Platinum	1 026.06	0.44%	-4.44%
Palladium	1 468.60	0.11%	-18.08%

**For months, the Middle Eastern oil market has been among the tightest in the world as regional exporters support Asia's recovering demand. This week, OPEC+'s surprise output cuts made it even stronger.**

Key markers in the Dubai crude market — the benchmark for Middle Eastern grades — leapt higher after the Saudi-led decision. The most active timespread for Dubai swaps jumped to above \$1 a barrel in backwardation, according to data from PVM Oil Associates Ltd, outperforming the Brent curve.

While OPEC+'s production cuts will take effect only next month, Dubai's strength reflects expectations that the reductions will strengthen an already-robust market for Middle Eastern supplies. Saudi Arabia, Iraq, the UAE and Kuwait pledged to cut a combined 980,000 barrels a day of output, with generally heavier and more sulfurous crude as the bulk of their production.

That's likely to lift the relative value of Dubai crude — which is both a proxy for Middle Eastern oil markets as well as medium-sour oil varieties — against global benchmarks such as Brent even further, a shot in arm for long-haul cargo flows from the Atlantic Basin and Americas into Asia.

Even prior to the OPEC+ cuts, traders were already bullish on Dubai versus other crudes, as red-hot Chinese demand hoovers up the region's supplies and lackluster European consumption weighs on Brent.

World Commodities	Last	1D Change
WTI Crude	81.08	0.46%
Brent Crude	85.38	0.52%
Nat Gas (HH)	2.11	-0.05%
Nickel	22 941.00	-1.15%
Copper	395.50	-0.40%
Corn	653.75	0.00%
Wheat	686.75	-0.69%
Soybean	1 520.00	0.16%
Coffee	174.85	-0.79%
Cotton	80.97	-0.10%
Sugar	22.47	0.31%

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

# Morning Call

Geneva, April 5, 2023

## FX Corner

**EUR/USD** is trading modestly flat at around 1.0950 in early Europe, having failed to sustain at higher levels. The pair is weighed down by the pullback in the US Dollar alongside the US Treasury bond yields, investors await the US ADP and ISM Services PMI data for a fresh move.

**GBP/USD** is easing from ten-month highs of 1.2510, heading toward 1.2450 ahead of the key US/UK data on Wednesday. A cautious market mood is offering support to the safe-haven US Dollar. Dovish BoE commentary adds to the downside in Cable.

**USD/JPY** remains indecisive on a daily basis as it flashes 131.70 as a quote heading into Wednesday's European session. The Yen pair tracks the latest consolidation in the US Treasury bond yields amid cautious markets ahead of the key US Data.

**AUD/USD** is trading with moderate gains above 0.6750 in Wednesday's mid-Asian session. The Aussie pair cheers the surprise RBNZ rate hike and consolidates the RBA decision-induced losses, digesting Governor Philip Lowe's speech. US data eyed.

World Currencies	Last	1D Change	YTD
EURUSD	1.0956	0.03%	2.33%
EURCHF	0.9924	0.04%	-0.27%
EURGBP	0.8776	-0.15%	-0.27%
EURJPY	144.1300	0.09%	-2.58%
USDCHF	0.9057	0.04%	-2.02%
USDJPY	131.6300	0.06%	-0.34%
USDCAD	1.3449	-0.03%	0.77%
USDTRY	19.2388	-0.10%	-2.83%
GBPUSD	1.2485	-0.13%	3.33%
AUDUSD	0.6734	-0.25%	-1.19%
NZDUSD	0.6346	0.52%	-0.13%

Currencies	S3	S2	S1	R1	R2	R3
EURUSD	1.0756	1.0846	1.0900	1.0990	1.1026	1.1116
USDJPY	128.8333	130.4833	131.0967	132.7467	133.7833	135.4333
GBPUSD	1.2214	1.2344	1.2422	1.2552	1.2604	1.2734
USDCAD	1.3318	1.3379	1.3412	1.3473	1.3501	1.3562
AUDUSD	0.6611	0.6683	0.6717	0.6789	0.6827	0.6899
NZDUSD	0.6219	0.6260	0.6286	0.6327	0.6342	0.6383
USDCHF	0.8910	0.8998	0.9030	0.9118	0.9174	0.9262
USDTRY	19.1541	19.1869	19.2034	19.2362	19.2525	19.2853
XAUUSD	1911.453	1959.473	1989.947	2037.967	2055.513	2103.533
XAGUSD	22.2234	23.4209	24.2133	25.4108	25.8159	27.0134

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



# Morning Call

Geneva, April 5, 2023

## Event Corner

ECO Economic Calendars

Options

G8 Browse 08:35:11 04/05/23 - 04/05/23

Economic Releases All Economic Releases View Agenda Weekly

Date	Time	C	A	M	R	Event	Period	Surv(M)	Actual	Prior	Revised
04/05	02:30	JN				Jibun Bank Japan PMI Composite	Mar F	--	--	51.9	--
04/05	02:30	JN				Jibun Bank Japan PMI Services	Mar F	--	--	54.2	--
04/05	08:00	GE				Factory Orders MoM	Feb	0.3%	--	1.0%	--
04/05	08:00	GE				Factory Orders WDA YoY	Feb	-9.3%	--	-10.9%	--
04/05	08:00	RU				S&P Global Russia Services PMI	Mar	--	--	53.1	--
04/05	08:00	RU				S&P Global Russia Composite PMI	Mar	--	--	53.1	--
04/05	08:45	FR				Industrial Production YoY	Feb	-0.1%	--	-2.2%	--
04/05	08:45	FR				Manufacturing Production MoM	Feb	0.3%	--	-1.8%	--
04/05	08:45	FR				Manufacturing Production YoY	Feb	--	--	-0.7%	--
04/05	08:45	FR				Industrial Production MoM	Feb	0.5%	--	-1.9%	--
04/05	09:45	IT				S&P Global Italy Composite PMI	Mar	53.2	--	52.2	--
04/05	09:45	IT				S&P Global Italy Services PMI	Mar	53.7	--	51.6	--
04/05	09:50	FR				S&P Global France Composite PMI	Mar F	54.0	--	54.0	--
04/05	09:50	FR				S&P Global France Services PMI	Mar F	55.5	--	55.5	--
04/05	09:55	GE				S&P Global Germany Services PMI	Mar F	53.9	--	53.9	--
04/05	09:55	GE				S&P Global Germany Composite PMI	Mar F	52.6	--	52.6	--
04/05	10:00	EC				S&P Global Eurozone Composite PMI	Mar F	54.1	--	54.1	--
04/05	10:00	EC				S&P Global Eurozone Services PMI	Mar F	55.6	--	55.6	--
04/05	10:00	UK				New Car Registrations YoY	Mar	--	--	26.2%	--
04/05	10:00	IT				Deficit to GDP YTD	4Q	--	--	5.5%	--
04/05	10:30	UK				Official Reserves Changes	Mar	--	--	-\$3363m	--
04/05	10:30	UK				S&P Global/CIPS UK Services PMI	Mar F	52.8	--	52.8	--
04/05	10:30	UK				S&P Global/CIPS UK Composite PMI	Mar F	52.2	--	52.2	--
04/05	11:00	IT				Retail Sales MoM	Feb	--	--	1.7%	--
04/05	11:00	IT				Retail Sales YoY	Feb	--	--	6.2%	--
04/05	13:00	US				MBA Mortgage Applications	Mar 31	--	--	2.9%	--
04/05	14:15	US				ADP Employment Change	Mar	210k	--	242k	--
04/05	14:30	US				Trade Balance	Feb	-\$68.8b	--	-\$68.3b	--
04/05	14:30	CA				Int'l Merchandise Trade	Feb	1.70b	--	1.92b	--
04/05	15:45	US				S&P Global US Services PMI	Mar F	53.8	--	53.8	--
04/05	15:45	US				S&P Global US Composite PMI	Mar F	53.3	--	53.3	--
04/05	16:00	US				ISM Services Index	Mar	54.4	--	55.1	--
04/05	16:00	US				ISM Services Prices Paid	Mar	--	--	65.6	--
04/05	16:00	US				ISM Services Employment	Mar	--	--	54.0	--
04/05	16:00	US				ISM Services New Orders	Mar	--	--	62.6	--
04/05	18:00	RU				CPI WoW	Apr 3	--	--	0.05%	--
04/05	18:00	RU				CPI Weekly YTD	Apr 3	--	--	1.47%	--
04/05-04/10		RU				Wellbeing Fund	Mar	--	--	\$147.2b	--

Source: Refinitiv

Disclaimer: "This information, including any opinion, news and reports is based on publicly available source, but its accuracy cannot be guaranteed and may be subject to change without notice. BankMed (Suisse) does not guarantee the accuracy, timeliness, continued availability or completeness of such information. Neither the information provided nor any opinion expressed therein, constitutes a solicitation, offer, personal recommendation or advice. BankMed (Suisse) is not acting as an adviser to you and you are free to rely or not on such information at your own risk. Certain transactions involving securities give rise to substantial risks, including currency and volatility risk, and are not suitable for all investors."