

Market Corner

Asian equities advanced, poised to snap three days of losses, as Japan resumed its rally and chip stocks extended their surge to a second day. Hong Kong was closed for a holiday after sliding earlier this week.

The MSCI Asia Pacific Index rose as much as 0.5%, with semiconductor makers TSMC and Samsung the biggest drivers amid the global rally sparked by Nvidia's bullish outlook for artificial intelligence demand. Taiwan's benchmark led gains around the region. Japanese gauges rose back toward 33-year highs after the yen weakened, as concerns eased on progress in US debt-ceiling talks.

Investors continue to snap up Asian chip names amid hopes that PC demand will begin picking up and strong demand for AI applications will help offset weakness in other areas. The MSCI regional benchmark is still on course for a weakly loss of more than 1%, however, amid uncertainties including a weak recovery in China.

US equity indexes rallied Thursday as Nvidia Corp.'s bullish sales outlook lifted investor sentiment, overshadowing concerns about the deadlocked debt-ceiling negotiations in Washington and a slew of hot economic data that raised the possibility of further interest rate hikes.

The Nasdaq 100 Index jumped 2.5 to mark its best session in almost a month after Nvidia sparked a rally in semiconductor and AI-related companies by boosting its sales forecast beyond those of the most-optimistic analysts. The S&P 500 Index rose 0.9%, while the blue-chip Dow Jones Industrial Average slipped 0.1%.

Read more: [Nvidia Ignites \\$260 Billion AI Rally After 'Blow-Out' Forecast](#)

Still, some on Wall Street warn of a lack of breadth in the rally as more stocks fell than climbed in both the S&P 500 and the Nasdaq 100 indexes on Thursday. The S&P 500 Equal Weight Index is down 1% for the year, while the main index has now climbed 8.6% on the back of Big Tech.

"The advance has been driven by an increasingly narrow group of high-valuation growth stocks," Roth MKM chief economist and market strategist Michael Darda wrote in a Thursday note.

World Indices	Last	1D Change	YTD
Dow Jones	32 764.7	-0.11%	-1.15%
S&P 500	4 151.3	0.88%	8.12%
Nasdaq	12 698.1	1.71%	21.32%
Eurostoxx 50	4 269.6	0.14%	12.55%
FTSE 100	7 570.9	-0.74%	1.60%
CAC 40	7 229.3	-0.33%	11.67%
DAX	15 793.8	-0.31%	13.43%
SMI	11 325.3	-0.51%	5.55%
Nikkei	30 990.7	0.62%	18.75%
Hang Seng	18 746.9	-1.93%	-5.23%
CSI 300	3 856.4	0.15%	-0.39%
VIX Index	19.1	-4.44%	-11.68%

World Bonds	Last	1D Change	YTD
US 10Y	3.8022	-0.02	-0.073
EUR 10Y	2.5220	0.05	-0.049
Swiss 10Y	1.0830	0.02	-0.534
UK 10Y	4.3740	0.16	0.702

Source: Bloomberg

Crypto Corner

Financiers and celebrity endorsers of the failed FTX cryptocurrency exchange should face consolidated class-action lawsuits over the billions lost in the meltdown of Sam Bankman-Fried’s digital-asset empire, investors’ lawyers argued Thursday.

Venture capital and private equity firms including Sequoia Capital Operations LLC and Thoma Bravo LLC – along with sports icons such as ex-NFL quarterback Tom Brady, former Boston Red Sox slugger David Ortiz and ex-NBA center Shaquille O’Neal – should face a single judge overseeing allegations they enabled Bankman-Fried’s alleged fraud, attorneys for crypto investors told a panel of federal judges.

While FTX sought Chapter 11 protection in Delaware in November, federal laws freezing litigation against companies in bankruptcy court don’t apply to third parties, allowing investors to take aim at people and companies that allegedly facilitated the exchange’s actions.

Gathering the suits will help take what many have described as “unwieldy cases” targeting those who aided and abetted FTX’s misdeeds and make them manageable, veteran lawyer David Boies, told the panel on Multi-District Litigation (MDL) in a hearing in Philadelphia.

Such MDLs are designed to reduce costs by eliminating duplicative pre-trial document exchanges and provide a venue for test trials to weigh the value of claims. Some companies, however, criticize MDLs as a way for judges to wrongfully strong-arm settlements of suits.

Bankman-Fried is facing criminal fraud charges after federal prosecutors alleged, he masterminded one of the biggest scams in US history, fraudulently raising at least \$1.8 billion despite having assured investors FTX had appropriate controls and risk management. He’s also accused of misusing customer funds at FTX to cover personal expenses and real estate purchases.

Boies and his allies urged the panel to send the nearly dozen cases to federal court in Miami, where FTX operated in the US and US District Judge Cecilia Altonaga is already handling some cases. Other lawyers suggested the cases would be better handled in federal court in San Francisco, where US District Judge Jacqueline Scott Corley is overseeing some FTX claims.

While some FTX insiders are named as defendants, none were executives or directors at the time of the bankruptcy filing, said Adam Moskowitz, a Miami-based lawyer representing FTX investors. “We were very careful in who we sued,” he said outside the hearing.

Such targeted class-actions have reaped billions in settlements from banks and other players in past big-name businesses collapses, including Enron Corp. and WorldCom Inc.

Crypto Market Cap: 1.10T

24h Vol: **\$27.6B**

Dominance: **BTC: 46.2% ETH:19.6%**

Crypto	Last	1D Change	YTD
Bitcoin	26 370.47	-0.45%	59.38%
Ethereum	1 804.01	-0.34%	50.36%



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

Commodity Corner

Gold was poised for its biggest weekly drop in almost four months as signs of resilience in the US economy increased the likelihood the Federal Reserve will keep hiking rates.

Bullion edged up slightly on Friday after falling to a two-month low in the previous session as US gross domestic product data came in ahead of estimates. The precious metal is down 1.6% so far this week.

The stronger numbers give the Fed more room to continue tightening to rein in inflation. Traders are now fully pricing in another quarter-point hike by July, with higher rates typically negative for non-interest-bearing gold. The metal has now fallen around 6% from a peak in early May, largely due to the rate speculation.

Still, the ongoing standoff over the US debt-ceiling is providing some support to the haven asset. House Speaker Kevin McCarthy told reporters that the two sides will continue negotiating through the long weekend in efforts to reach a deal.

Spot gold was 0.2% higher at \$1,944.99 an ounce as of 9:43 a.m. in Singapore. The Bloomberg Dollar Spot Index was flat. Silver gained, while palladium and platinum were flat.

Precious Metals	Last	1D Change	YTD
Gold	1 949.43	0.41%	6.87%
Silver	22.97	1.00%	-4.13%
Platinum	1 033.55	0.78%	-3.80%
Palladium	1 430.64	0.62%	-20.20%

Oil was steady after falling more than 3% on Thursday as Russia suggested OPEC+ wasn't likely to change production levels at its next meeting, and investors tracked talks to avoid a catastrophic US default.

West Texas Intermediate traded below \$72 a barrel after Thursday's tumble wiped out most of the week's gains. Russia's Deputy Prime Minister Alexander Novak said the group wasn't likely to take further measures at the gathering in Vienna in June, undercutting earlier remarks from Saudi Energy Minister Prince Abdulaziz bin Salman that speculators should "watch out."

In the US, Republican and White House negotiators were moving closer to an agreement to raise the debt limit, according to people familiar with the matter. Still, the details agreed to are tentative and a final accord is not yet in hand, with the Treasury's cash balance now down to less than \$50 billion.

World Commodities	Last	1D Change
WTI Crude	71.90	0.10%
Brent Crude	76.18	-0.10%
Nat Gas (HH)	2.28	-1.30%
Nickel	21 113.50	2.52%
Copper	360.50	0.68%
Corn	592.75	0.34%
Wheat	609.00	0.79%
Soybean	1 331.50	0.57%
Coffee	182.70	-2.82%
Cotton	81.46	1.67%
Sugar	24.83	-2.59%

Source: fxstreet.com / Bloomberg

Morning Call

Geneva, May 26, 2023

FX Corner

EUR/USD has climbed above the critical resistance of 1.0740 in the early European session after a firmer recovery from near the round-level support of 1.0700. The major currency pair is anticipated to extend further as the US Dollar Index (DXY) has extended its correction further to near 104.08.

GBP/USD has shown a recovery move toward 1.2350 after building a base around 1.2320. Cable is advancing as the US Dollar is losing ground amid a correction alongside the US Treasury yields. The immediate focus remains on the UK Retail Sales data.

USD/JPY is on the corrective downside below the 140.00 round figure, consolidating the rally to the Year-To-Date (YTD) high of 140.23. The pair remains pressured amid a broad US Dollar retreat alongside yields, despite softer Japanese CPI data. All eyes are now on US Core PCE data.

AUD/USD prints the first daily gain in four as it rebounds from the yearly low to 0.6515 heading into Friday's European session. In doing so, the Aussie pair pays little heed to the downbeat Australian data while cheering the US Dollar's pullback.

World Currencies	Last	1D Change	YTD
EURUSD	1.0741	0.15%	0.33%
EURCHF	0.9717	-0.03%	1.81%
EURGBP	0.8705	-0.01%	1.81%
EURJPY	150.1000	0.07%	-6.90%
USDCHF	0.9046	0.12%	-2.15%
USDJPY	139.7500	0.22%	-6.59%
USDCAD	1.3636	0.04%	-0.61%
USDTRY	19.9745	-0.19%	-6.76%
GBPUSD	1.2339	0.15%	2.12%
AUDUSD	0.6516	0.17%	-4.36%
NZDUSD	0.6069	0.10%	-4.41%

Currencies	S3	S2	S1	R1	R2	R3
EURUSD	1.0630	1.0680	1.0702	1.0752	1.0780	1.0830
USDJPY	136.9067	138.3067	139.1833	140.5833	141.1067	142.5067
GBPUSD	1.2181	1.2260	1.2290	1.2369	1.2418	1.2497
USDCAD	1.3509	1.3567	1.3604	1.3662	1.3683	1.3741
AUDUSD	0.6421	0.6469	0.6487	0.6535	0.6565	0.6613
NZDUSD	0.5934	0.6004	0.6033	0.6103	0.6144	0.6214
USDCHF	0.8986	0.9021	0.9039	0.9074	0.9091	0.9126
USDTRY	19.8178	19.8723	19.9043	19.9588	19.9813	20.0358
XAUUSD	1896.750	1922.570	1931.990	1957.810	1974.210	2000.030
XAGUSD	21.9619	22.4126	22.5766	23.0273	23.3140	23.7647

Source: fxstreet.com / Bloomberg



Morning Call

Geneva, May 26, 2023

Event Corner

ECO Economic Calendars							Options				
G8		Browse		08:28:11		05/26/23		05/26/23			
Economic Releases		All Economic Releases				View		Agenda			
Date	Time	C	A	M	R	Event	Period	Surv(M)	Actual	Prior	Revised
05/26	01:30	JN				Tokyo CPI YoY	May	3.4%	--	3.5%	--
05/26	01:30	JN				Tokyo CPI Ex-Fresh Food YoY	May	3.4%	--	3.5%	--
05/26	01:30	JN				Tokyo CPI Ex-Fresh Food, Energy YoY	May	3.9%	--	3.8%	--
05/26	01:50	JN				PPI Services YoY	Apr	1.4%	--	1.6%	--
05/26	08:00	UK				Retail Sales Inc Auto Fuel MoM	Apr	0.3%	--	-0.9%	--
05/26	08:00	UK				Retail Sales Inc Auto Fuel YoY	Apr	-2.8%	--	-3.1%	--
05/26	08:00	UK				Retail Sales Ex Auto Fuel MoM	Apr	0.4%	--	-1.0%	--
05/26	08:00	UK				Retail Sales Ex Auto Fuel YoY	Apr	-2.8%	--	-3.2%	--
05/26	08:45	FR				Consumer Confidence	May	84	--	83	--
05/26	09:30	RU				Bloomberg May Russia Economic Survey					
05/26	10:00	IT				Consumer Confidence Index	May	105.0	--	105.5	--
05/26	10:00	IT				Manufacturing Confidence	May	102.5	--	103.0	--
05/26	10:00	IT				Economic Sentiment	May	--	--	110.5	--
05/26	10:00	RU				Money Supply Narrow Def	May 19	--	--	17.52t	--
05/26	14:30	US				Personal Income	Apr	0.4%	--	0.3%	--
05/26	14:30	US				Personal Spending	Apr	0.5%	--	0.0%	--
05/26	14:30	US				Real Personal Spending	Apr	0.3%	--	0.0%	--
05/26	14:30	US				PCE Deflator MoM	Apr	0.3%	--	0.1%	--
05/26	14:30	US				PCE Deflator YoY	Apr	4.3%	--	4.2%	--
05/26	14:30	US				PCE Core Deflator MoM	Apr	0.3%	--	0.3%	--
05/26	14:30	US				PCE Core Deflator YoY	Apr	4.6%	--	4.6%	--
05/26	14:30	US				Advance Goods Trade Balance	Apr	-\$85.9b	--	-\$84.6b	--
05/26	14:30	US				Wholesale Inventories MoM	Apr P	0.0%	--	0.0%	--
05/26	14:30	US				Retail Inventories MoM	Apr	0.2%	--	0.7%	--
05/26	14:30	US				Durable Goods Orders	Apr P	-1.0%	--	3.2%	--
05/26	14:30	US				Durables Ex Transportation	Apr P	-0.1%	--	0.2%	--
05/26	14:30	US				Cap Goods Orders Nondef Ex Air	Apr P	-0.1%	--	-0.6%	--
05/26	14:30	US				Cap Goods Ship Nondef Ex Air	Apr P	0.1%	--	-0.5%	--
05/26	16:00	US				U. of Mich. Sentiment	May F	58.0	--	57.7	--
05/26	16:00	US				U. of Mich. Current Conditions	May F	--	--	64.5	--
05/26	16:00	US				U. of Mich. Expectations	May F	--	--	53.4	--
05/26	16:00	US				U. of Mich. 1 Yr Inflation	May F	4.5%	--	4.5%	--
05/26	16:00	US				U. of Mich. 5-10 Yr Inflation	May F	3.1%	--	3.2%	--
05/26	17:00	US				Kansas City Fed Services Activity	May	--	--	7	--

Source: Refinitiv

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