

Market Corner

Asian stocks were mixed as traders awaited a key US inflation data for further direction in trading, while state-owned firms continued to push Chinese shares higher.

The MSCI Asia Pacific Index was up about 0.1% as of 11:30 a.m. in Hong Kong. Japanese shares outperformed the region as investors digested earnings from major local firms. The Topix is approaching its highest level since August 1990. Meanwhile, benchmarks in Hong Kong and South Korea fell.

Chinese stocks edged higher, with state-owned firms including brokerages extending their recent rally, as investors continued to bet on policy support for the cohort. A gauge of financial shares was poised for a sixth session of gains.

In another encouraging sign, exports in Asia's largest economy rose in April, pointing to still strong global demand despite concerns about high interest rates and slowing economic growth.

The reopening rally in China has stalled in recent months due to a lack of fresh catalysts. Still, market conditions are favorable for the country's equities, said William Fong, head of Hong Kong China equities at Baring Asset Management Asia. "Recovering consumption and supportive government policies are driving improvement in Chinese corporate fundamentals."

US stocks came off session lows on Monday to finish higher ahead of a stretch filled with key inflation readings that will show whether price pressures remain persistently elevated across the economy.

The S&P 500 Index ticked up less than 0.1%, eking out a gain for a second consecutive session following its worst week in nearly two months. Four of the 11 major industry groups rose, with communication services the best performer. The tech-heavy Nasdaq 100 Index drifted 0.25% higher, helped by a rise in chipmakers including Advanced Micro Devices Inc. and Nvidia Corp. The Dow Jones Industrial Average slipped 0.2%.

PacWest Bancorp rose 3.7%, paring some of its 43% plunge last week. The company extended Friday's rebound after it cut its quarterly dividend and said business remains sound. Investors are still monitoring turmoil in regional lenders following the failures of three US banks since March, with the S&P 500's financials sector on the verge of falling back below its 2007 peak.

Wednesday's reading on consumer prices is crucial, as signs of ebbing inflation could buoy shares by tempering expectations for further Federal Reserve interest-rate hikes. Traders are betting the Fed will start easing policy within months to stimulate the economy, but signs of stubbornly high inflation may scuttle those wagers.

World Indices	Last	1D Change	YTD
Dow Jones	33 618.7	-0.17%	1.42%
S&P 500	4 138.1	0.05%	7.78%
Nasdaq	12 256.9	0.18%	17.11%
Eurostoxx 50	4 348.7	0.19%	14.63%
FTSE 100	7 778.4	0.98%	4.38%
CAC 40	7 440.9	0.11%	14.94%
DAX	15 952.8	-0.05%	14.57%
SMI	11 595.3	0.35%	8.07%
Nikkei	29 249.3	1.03%	12.11%
Hang Seng	20 217.0	-0.39%	2.19%
CSI 300	4 085.4	0.56%	5.52%
VIX Index	17.0	-1.22%	-21.64%

World Bonds	Last	1D Change	YTD
US 10Y	3.4957	-0.01	-0.379
EUR 10Y	2.3190	0.03	-0.252
Swiss 10Y	1.1060	0.01	-0.511
UK 10Y	3.7810	0.13	0.109

Source: Bloomberg



Morning Call
Geneva, May 9, 2023

Crypto Corner

Former FTX Chief Executive Officer Sam Bankman-Fried asked a judge to dismiss several criminal charges against him, arguing prosecutors improperly filed the additional counts after his extradition from the Bahamas.

The 31-year-old, accused of orchestrating a multibillion-dollar fraud through his once bustling cryptocurrency exchange, filed a series of motions in Manhattan federal court Monday. His lawyers asked US District Judge Lewis Kaplan to throw out a campaign finance violation charge because the Bahamian Government didn't sign off on it when it green lit his extradition to the US in December.

Bankman-Fried's legal team also argued that fresh charges filed against the FTX co-founder are invalid because prosecutors didn't get proper consent from Bahamian authorities.

"Mr. Bankman-Fried consented to be tried only on the charges in the original indictment for which the government of the Bahamas agreed to extradition," his attorneys wrote in the filings.

Weeks after FTX filed for bankruptcy, Bankman-Fried was arrested in Nassau, where he had been living and running FTX. US prosecutors allege the MIT graduate ran a yearslong scheme to defraud investors and misused customer funds, including to purchase property and drive trading activity through crypto hedge fund Alameda Research.

After Manhattan federal prosecutors asked Bahamian authorities to arrest him, Bankman-Fried consented to simplified extradition to the US, avoiding a potentially drawn-out legal battle. But his lawyers argue he still retained his rights under extradition law, which they claim meant he couldn't be tried on charges beyond those to which he agreed to be extradited.

According to his attorneys, the Bahamian government signed off on Bankman-Fried's warrant of surrender, but it didn't include count 8 — a campaign finance law violation charge. Bankman-Fried was charged with that count when he arrived in the US, along with several other counts of fraud. Prosecutors have since filed two superseding indictments in the case, taking the number of charges Bankman-Fried faces to 13.

"After Mr. Bankman-Fried returned to this country, the government superseded the original indictment, not once but twice, improperly adding several new, unrelated charges without first obtaining the express consent of the Bahamian government," his attorneys wrote.

Prosecutors have been notifying authorities in the Bahamas before unsealing the superseding indictments, court filings show.

Crypto Market Cap: [1.13T](#)

24h Vol: [\\$41.9B](#)

Dominance: [BTC: 46.9%](#) [ETH:19.4%](#)

Crypto	Last	1D Change	YTD
Bitcoin	27 593.77	0.11%	66.81%
Ethereum	1 843.83	0.12%	53.72%



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

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Commodity Corner

Gold edged higher as investors waited for fresh US economic data that may offer clues on the interest-rate trajectory.

The precious metal has been hovering around the \$2,020 an ounce-mark so far this week. It remains close to a record high — after rallying 1.4% last week — and is being buoyed by concerns over the state of the global economy, as well as a debt-ceiling standoff and nervousness about the health of regional banks in the US.

US consumer inflation data is due Wednesday, which will add to the debate on whether the Federal Reserve is likely to keep hiking, pause or even cut later this year. Treasury yields dipped on Tuesday after three days of gains that reduced the appeal of non-interest-bearing bullion

Spot gold rose 0.2% to \$2,024.74 an ounce as of 11:57 a.m. in Singapore after closing up 0.2% on Monday. The Bloomberg Dollar Spot Index was steady. Silver and platinum advanced, while palladium fell

Precious Metals	Last	1D Change	YTD
Gold	2 027.70	0.32%	11.14%
Silver	25.61	0.22%	6.88%
Platinum	1 077.36	0.17%	0.29%
Palladium	1 556.28	-0.01%	-13.17%

Oil held the bulk of a two-day surge as wildfires in Canada reduced supplies, offsetting concerns over lackluster global fuel demand.

West Texas Intermediate traded just below \$73 a barrel after rallying by nearly 7% over the prior two sessions amid speculation that earlier losses were overdone. In Canada, at least 234,000 barrels a day of oil and gas production has been curtailed by the wildfires that have broken out across Alberta.

Still, despite some initial strength in US gasoline demand, there are now warning signs of flagging usage even as the country enters its peak-driving period — typically the seasonal high point for consumption. Demand for diesel, the other major product, has also been slipping across the globe.

Crude has retreated by about 9% this year, with futures whipsawed by the push and pull of the Federal Reserve's monetary-tightening campaign, concerns that the US economy may soon slip into a recession, and countervailing hopes for a resurgence in Chinese demand after Beijing abandoned Covid Zero. The decline in prices has come despite a surprise production cut by the Organization of Petroleum Exporting Countries and its allies including Russia.

World Commodities	Last	1D Change
WTI Crude	72.85	-0.42%
Brent Crude	76.66	-0.45%
Nat Gas (HH)	2.22	-0.67%
Nickel	24 456.00	2.02%
Copper	390.05	-0.45%
Corn	650.00	-0.99%
Wheat	641.00	-0.93%
Soybean	1 465.25	-0.24%
Coffee	186.90	-2.15%
Cotton	82.07	-1.48%
Sugar	26.09	-0.87%

Source: fxstreet.com / Bloomberg

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FX Corner

EUR/USD is on the back foot, gyrating around the psychological support of 1.1000 in early Europe. The mixed market mood is helping the US Dollar sustain its recovery gains, undermining the currency pair. Speeches from ECB and Fed policymakers eyed.

GBP/USD is holding steady in the early European morning, having found some support just above 1.2600. The pair is struggling to stage a comeback, as the US Dollar holds the renewed upside amid a cautious market sentiment. Fed speak is next in focus.

USD/JPY pares intraday gains around 135.10-05 during early Tuesday, pausing a two-day winning streak. In doing so, the Yen pair retreats from the 200-Hour Moving Average (HMA).

AUD/USD is consolidating the latest downside below 0.6800 even though the Chinese trade data came in mixed for April. Earlier, Australian Retail Sales missed estimates with -0.6% in Q1 2023. Broad US Dollar recovery is weighing on the Aussie amid a mixed market sentiment.

World Currencies	Last	1D Change	YTD
EURUSD	1.0994	-0.09%	2.70%
EURCHF	0.9778	0.11%	1.19%
EURGBP	0.8714	0.07%	1.19%
EURJPY	148.3400	0.23%	-5.65%
USDCHF	0.8894	0.01%	-3.80%
USDJPY	134.9300	0.13%	-2.91%
USDCAD	1.3370	0.03%	1.36%
USDTRY	19.5078	-0.01%	-4.26%
GBPUSD	1.2617	-0.01%	4.42%
AUDUSD	0.6782	0.00%	-0.46%
NZDUSD	0.6341	-0.05%	-0.14%

Currencies	S3	S2	S1	R1	R2	R3
EURUSD	1.0911	1.0965	1.0985	1.1039	1.1073	1.1127
USDJPY	133.6933	134.3533	134.7267	135.3867	135.6733	136.3333
GBPUSD	1.2521	1.2577	1.2598	1.2654	1.2689	1.2745
USDCAD	1.3211	1.3285	1.3330	1.3404	1.3433	1.3507
AUDUSD	0.6612	0.6691	0.6736	0.6815	0.6849	0.6928
NZDUSD	0.6195	0.6263	0.6304	0.6372	0.6399	0.6467
USDCHF	0.8739	0.8822	0.8858	0.8941	0.8988	0.9071
USDTRY	19.1331	19.3547	19.4306	19.6522	19.7979	20.0195
XAUUSD	1992.207	2006.967	2014.063	2028.823	2036.487	2051.247
XAGUSD	25.1428	25.3706	25.4613	25.6891	25.8262	26.0540

Source: fxstreet.com / Bloomberg



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Event Corner

ECO Economic Calendars											
G8											
Browse 07:39:41											
05/09/23 - 05/09/23											
Economic Releases											
Date	Time	C	A	M	R	Event	Period	Surv(M)	Actual	Prior	Revised
05/09	01:01	UK				BRC Sales Like-For-Like YoY	Apr	--	5.2%	4.9%	--
05/09	01:30	JN				Household Spending YoY	Mar	0.8%	-1.9%	1.6%	--
05/09	01:30	JN				Labor Cash Earnings YoY	Mar	1.0%	0.8%	1.1%	0.8%
05/09	01:30	JN				Real Cash Earnings YoY	Mar	-2.4%	-2.9%	-2.6%	-2.9%
05/09	08:45	FR				Trade Balance	Mar	-9300m	--	-9904m	--
05/09	08:45	FR				Current Account Balance	Mar	--	--	-3.0b	--
05/09	12:00	US				NFIB Small Business Optimism	Apr	89.7	--	90.1	--

Source: Refinitiv

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