

Market Corner

Asian equities climbed, on course for a third-straight day of gains, driven by an ongoing rally in Chinese technology stocks and optimism that the Federal Reserve may halt its aggressive monetary tightening soon.

The MSCI Asia Pacific Index rose 1.6%, with most key gauges around the region registering gains. US stock benchmarks rose Wednesday as Treasury yields slumped after the June inflation print came in cooler than expected, bolstering bets on an end to Fed rate hikes within months.

“We have moved beyond the crisis mentality on inflation,” Jack McIntyre, a portfolio manager at Brandywine Global, told Bloomberg Television in an interview. McIntyre expects the Fed to pause after another 25 basis point increase later this month.

Stocks in Hong Kong and mainland China were among the best performers amid a shaky recovery following sharp losses last quarter.

US equities rose to the highest since April 2022 after the latest consumer price data showed signs that inflation is cooling, fueling optimism that the Federal Reserve may be nearing the end of its tightening cycle.

The S&P 500 Index climbed 0.7%, with nine of 11 major industry groups in the green, led higher by the communication services and utilities sectors. The tech-heavy Nasdaq 100 Index gained 1.2%, while the blue-chip Dow Jones Industrial Average added 0.3%.

The consumer price index rose 3% last month from a year ago, the smallest advance in more than two years, according to data out Wednesday from the Bureau of Labor Statistics. Excluding food and energy, the core CPI — which economists view as the better indicator of underlying inflation — advanced 4.8%, also the lowest since 2021. Both measures climbed 0.2% from May, less than economists expected.

World Indices	Last	1D Change	YTD
Dow Jones	34 347.4	0.25%	3.62%
S&P 500	4 472.2	0.74%	16.48%
Nasdaq	13 919.0	1.15%	32.99%
Eurostoxx 50	4 360.5	1.72%	14.94%
FTSE 100	7 416.1	1.83%	-0.48%
CAC 40	7 333.0	1.57%	13.27%
DAX	16 023.0	1.47%	15.08%
SMI	11 019.0	0.51%	2.70%
Nikkei	32 413.3	1.47%	24.22%
Hang Seng	19 358.2	2.64%	-2.14%
CSI 300	3 895.1	1.34%	0.61%
VIX Index	13.5	-8.76%	-37.52%

World Bonds	Last	1D Change	YTD
US 10Y	3.8614	0.00	-0.013
EUR 10Y	2.5410	-0.11	-0.030
Swiss 10Y	1.0750	-0.03	-0.542
UK 10Y	4.5140	-0.15	0.842

Source: Bloomberg



Morning Call

Geneva, July 13, 2023

Crypto Corner

Cathie Wood’s Ark Investment Management LLC pared its holding of Coinbase Global Inc. for the first time in almost a year on Tuesday.

Wood’s flagship Ark Innovation ETF sold 135,152 shares of the cryptocurrency exchange operator Tuesday, marking its first sale of the stock since July 26, Ark Investment Management LLC data compiled by Bloomberg show.

Ark is the fourth-largest holder of Coinbase and had been buying the stock on price dips for nearly 11 months until June. It continued to build on its stake during crypto-market volatility triggered by issues including a US regulatory crackdown on the industry, the collapse of Sam Bankman-Fried’s empire, and a spate of bankruptcies.

Ark pared its stake in Coinbase on a day that the stock rallied 9.8% after a Chicago Board Options Exchange filing added to optimism over potential US approval of a Bitcoin ETF. While remaining a large holder, Wood’s fund’s paring of its stake may signal to other investors the prospect of booking some profit after the share’s rally this year.

Coinbase has risen more than 150% this year, in line with a broader bounce by cryptocurrency linked stocks, even as it faced a lawsuit by the Securities and Exchange Commission. It had dropped 86% last year.

Wood’s flagship fund has risen 51% this year, compared with a gain of 38% for the Nasdaq 100 Index and a 16% advance for S&P 500. The Ark Innovation ETF slumped 67% last year.

Crypto Market Cap: **\$1.18T**

24h Vol: **\$30.9B**

Dominance: **BTC: 49.9% ETH:19%**

Currency	Last	1D Change	YTD
Bitcoin	30 288.37	-0.21%	83.15%
Ethereum	1 866.53	-0.34%	55.64%



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

Commodity Corner

Gold steadied after surging the most in five weeks, buoyed by cooler-than-expected US inflation data that boosted optimism the Federal Reserve's rate-hiking campaign may be nearing an end.

The precious metal had risen more than 2% over the previous four trading days, with investors mulling more evidence that the economy may finally be slowing. Gold lost momentum in June amid successive reports that suggested the US was holding up surprisingly well to Fed tightening.

Data on Wednesday showed the consumer price index rose 3% in June from a year earlier, slightly below the median economist estimate. The dollar and Treasury yields dropped following the report, boosting bullion, which started to climb on Friday after US jobs data came in weaker than expected.

The latest prints give the Fed more room to avoid multiple additional rate hikes, which tend to curb demand for non-interest-bearing gold. Still, it's unlikely to prevent more tightening at the central bank's meeting later this month, which swaps traders are close to fully pricing in.

Spot gold was little changed at \$1,957.54 an ounce at 8:03 a.m. in Singapore, after closing 1.3% higher on Wednesday. The Bloomberg Dollar Spot Index eased further in the wake of its almost 1% plunge in the previous session. Silver held its 4.3% gain made on Wednesday, while platinum was also steady, and palladium rose.

Precious Metals	Last	1D Change	YTD
Gold	1 957.07	-0.01%	7.29%
Silver	24.21	0.37%	1.08%
Platinum	960.69	0.65%	-10.59%
Palladium	1 301.76	1.22%	-27.39%

Oil extended gains as softening US inflation prompted optimism the rate-hiking cycle may be nearing an end, improving the demand outlook.

West Texas Intermediate rose above \$76 a barrel after closing 1.2% higher on Wednesday as consumer price inflation dropped to the lowest in more than two years and the dollar weakened. That overshadowed a 6-million-barrel increase in US crude stockpiles, the biggest jump in four weeks.

The International Energy Agency and OPEC will release reports later Thursday that will provide snapshots on the oil market, which is expected to tighten through the second half of the year, buoying prices. Global benchmark Brent closed above \$80 a barrel on Wednesday for the first time since April.

World Commodities	Last	1D Change
WTI Crude	75.89	0.18%
Brent Crude	80.29	0.22%
Nat Gas (HH)	2.65	0.84%
Nickel	21 499.50	4.75%
Copper	384.20	2.36%
Corn	555.25	1.00%
Wheat	621.25	-4.35%
Soybean	1 488.50	-2.10%
Coffee	158.75	-0.35%
Cotton	82.11	-0.48%
Sugar	23.91	1.61%

Source: fxstreet.com / Bloomberg

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FX Corner

EUR/USD is trading on the front foot, teasing a fresh 2023 top near 1.1150 heading toward the European session amid a broad-based US dollar weakness. The pair reached its highest level since March 2022 after softer US CPI data smashed the Greenback.

GBP/USD trades with a positive bias for the sixth successive day on Thursday and touches a fresh 15-month peak during the Asian session, with bulls now looking to build on the momentum beyond the 1.3000 psychological mark. UK data awaited.

USD/JPY attracts some buying on Thursday and stalls its recent pullback from the YTD peak. A positive risk tone undermines the JPY and prompts short-covering amid oversold conditions. Bearish USD might cap any meaningful recovery amid expectations for a shift in BoJ's stance.

AUD/USD gains traction to reach a three-week high above the 0.6800 mark. The mixed Chinese data fuels the concern about a probable economic slowdown in China. The odds that the Federal Reserve (Fed) will end rate hiking later this year weigh on the US Dollar.

World Currencies	Last	1D Change
EURUSD	1.1141	0.11%
EURCHF	0.9647	0.09%
EURGBP	0.8567	0.04%
EURJPY	154.4700	-0.21%
USDCHF	0.8659	0.17%
USDJPY	138.6500	-0.11%
USDCAD	1.3173	0.11%
USDTRY	26.1485	-0.03%
GBPUSE	1.3005	0.13%
AUDUSD	0.6819	0.47%
NZDUSD	0.6338	0.65%

Currencies	S3	S2	S1	R1	R2	R3
EURUSD	1.0819	1.0955	1.1042	1.1178	1.1227	1.1363
USDJPY	134.5567	136.7867	137.6433	139.8733	141.2467	143.4767
GBPUSE	1.2772	1.2868	1.2928	1.3024	1.3060	1.3156
USDCAD	1.3008	1.3098	1.3143	1.3233	1.3278	1.3368
AUDUSD	0.6527	0.6641	0.6714	0.6828	0.6869	0.6983
NZDUSD	0.6011	0.6137	0.6217	0.6343	0.6389	0.6515
USDCHF	0.8433	0.8572	0.8623	0.8762	0.8850	0.8989
USDTRY	26.0135	26.0730	26.1068	26.1663	26.1920	26.2515
XAUUSD	1896.513	1923.263	1940.307	1967.057	1976.763	2003.513
XAGUSD	21.7093	22.7517	23.4371	24.4795	24.8365	25.8789

Source: fxstreet.com / Bloomberg



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Event Corner

ECO Economic Calendars		Options		07/13/23		07/13/23					
G8		Browse		07:56:22							
Economic Releases		All Economic Releases		View		Agenda					
Date	Time	C	A	M	R	Event	Period	Surv(M)	Actual	Prior	Revised
07/13	01:01	UK				RICS House Price Balance	Jun	-35%	--	-30%	--
07/13	01:50	JN				Foreign Buying Japan Bonds	Jul 7	--	--	¥484.7b	--
07/13	01:50	JN				Japan Buying Foreign Bonds	Jul 7	--	--	¥1252.7b	--
07/13	01:50	JN				Japan Buying Foreign Stocks	Jul 7	--	--	-¥158.9b	--
07/13	01:50	JN				Foreign Buying Japan Stocks	Jul 7	--	--	¥195.0b	--
07/13	03:00	JN				Bloomberg July Japan Economic Survey					
07/13	08:00	UK				Monthly GDP (MoM)	May	-0.3%	--	0.2%	--
07/13	08:00	UK				Monthly GDP (3M/3M)	May	-0.1%	--	0.1%	--
07/13	08:00	UK				Industrial Production MoM	May	-0.4%	--	-0.3%	--
07/13	08:00	UK				Industrial Production YoY	May	-2.3%	--	-1.9%	--
07/13	08:00	UK				Manufacturing Production MoM	May	-0.5%	--	-0.3%	--
07/13	08:00	UK				Manufacturing Production YoY	May	-1.7%	--	-0.9%	--
07/13	08:00	UK				Index of Services MoM	May	-0.2%	--	0.3%	--
07/13	08:00	UK				Index of Services 3M/3M	May	-0.2%	--	-0.1%	--
07/13	08:00	UK				Construction Output MoM	May	-0.5%	--	-0.6%	--
07/13	08:00	UK				Construction Output YoY	May	0.8%	--	3.6%	--
07/13	08:00	UK				Visible Trade Balance GBP/Mn	May	-£14800m	--	-£14996m	--
07/13	08:00	UK				Trade Balance GBP/Mn	May	-£1500m	--	-£1518m	--
07/13	08:00	UK				Visible Trade Balance Ex Precious Metals	May	--	--	-£16150m	--
07/13	08:00	UK				Trade Balance Ex Precious Metals	May	--	--	-£2672m	--
07/13	08:45	FR				CPI EU Harmonized MoM	Jun F	0.2%	--	0.2%	--
07/13	08:45	FR				CPI EU Harmonized YoY	Jun F	5.3%	--	5.3%	--
07/13	08:45	FR				CPI MoM	Jun F	0.2%	--	0.2%	--
07/13	08:45	FR				CPI YoY	Jun F	4.5%	--	4.5%	--
07/13	08:45	FR				CPI Ex-Tobacco Index	Jun	116.70	--	116.54	--
07/13	10:30	UK				Bank of England Bank Liabilities/Credit Conditions Surveys					
07/13	11:00	EC				Industrial Production SA MoM	May	0.3%	--	1.0%	--
07/13	11:00	EC				Industrial Production WDA YoY	May	-1.1%	--	0.2%	--
07/13	14:30	US				PPI Final Demand MoM	Jun	0.2%	--	-0.3%	--
07/13	14:30	US				PPI Ex Food and Energy MoM	Jun	0.2%	--	0.2%	--
07/13	14:30	US				PPI Ex Food, Energy, Trade MoM	Jun	0.1%	--	0.0%	--
07/13	14:30	US				PPI Final Demand YoY	Jun	0.4%	--	1.1%	--
07/13	14:30	US				PPI Ex Food and Energy YoY	Jun	2.6%	--	2.8%	--
07/13	14:30	US				PPI Ex Food, Energy, Trade YoY	Jun	2.6%	--	2.8%	--
07/13	14:30	US				Initial Jobless Claims	Jul 8	250k	--	248k	--
07/13	14:30	US				Continuing Claims	Jul 1	1720k	--	1720k	--
07/13	15:00	RU				Gold and Forex Reserve	Jul 7	--	--	\$582.4b	--
07/13	20:00	US				Monthly Budget Statement	Jun	-\$180.0b	--	-\$88.8b	--
07/13		GE				Current Account Balance	May	--	--	21.8b	--

Source: Refinitiv

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