

MARKET UPDATE

15/04/2022

Japan's cenbank is not aiming to manipulate currency, PM says

Japanese Prime Minister Fumio Kishida said the central bank's monetary policy is aimed at achieving its 2% inflation target, not at manipulating currency rates, brushing aside the view the country must end an ultra-low interest rate policy to stem sharp yen declines.

Kishida also said the recent rise in domestic inflation was due mostly to a global spike in crude oil and raw material costs, rather than the weak yen.

The dollar rose to a two-decade peak against the yen

The dollar rose to a two-decade peak against the yen and kept close to a two-year high to the euro on Friday, as more hawkish comments from Federal Reserve officials reinforced expectations for faster U.S. policy tightening.

The greenback was 0.43% higher at 126.40 yen after earlier reaching 126.56 for the first time since May 2002.

The euro slipped 0.14% to \$1.0812, heading back toward the overnight low of \$1.0785, a level unseen since April 2020.

New York Fed President John Williams said on Thursday that a half-point rate rise next month was "a very reasonable option," in a further sign that even more cautious policymakers are on board with faster monetary tightening.

Russia may be in default, Moody's says

Russia may be in default after it tried to service its dollar bonds in roubles due to Western sanctions over the war in Ukraine, Moody's (NYSE:MCO) said, Moscow's first major default on foreign bonds since the years following the 1917 Bolshevik revolution.

Russia made a payment due on April 4 on two sovereign bonds - maturing in 2022 and 2042 - in roubles rather than the dollars it was mandated to pay under the terms of the securities.

Xpeng CEO warns China automakers face production suspensions in May

Automakers in China may have to suspend production in May if suppliers in Shanghai and surrounding areas are not able to resume work, He Xiaopeng, the chief executive officer of Chinese electric-car maker Xpeng (NYSE:XPEV), said on Thursday.

Growing lockdowns to stop the spread of COVID-19 in China are clogging highways and ports and shutting countless factories - disruptions that are rippling through global supply chains for goods ranging from electric vehicles to iPhones.

Some Chinese authorities are trying to resolve the situation, said He on his personal Wechat feed which was seen by Reuters, adding he hoped more government departments can provide support.

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