

# MARKET UPDATE

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## **Oil slides to near 2-week lows as Shanghai lockdowns stoke demand worries**

Oil prices slumped to near two-week lows on Monday, extending losses from last week, as concerns grew that prolonged COVID-19 lockdowns in Shanghai and potential U.S. rate hikes would hurt global economic growth and fuel demand.

Brent crude futures were down \$3.15, or 3.0%, at \$103.50 a barrel by 0326 GMT. They touched \$103.41 earlier in the session, the lowest since April 12.

U.S. West Texas Intermediate (WTI) crude futures fell \$3.01, or 3.0%, to \$99.06 a barrel, having skidded earlier to \$98.93, the lowest since April 12.

## **France's Macron beats Le Pen to win second term**

Following is market reaction to French President Emmanuel Macron's victory over rival Marine Le Pen in Sunday's election.

With 97% of votes counted, Macron was on course for 57.4% of the vote, interior ministry figures showed

The euro opened higher on Monday at \$1.0852 compared with Friday's close of \$1.08095. It then reversed course and was trading 0.2% lower at \$1.788 by 0330 GMT. It climbed 0.1% against sterling and briefly hit a one-month high.

## **Dollar firms on safety flows, euro looks past Macron's victory**

The dollar climbed on Monday as investors sought safety due to uncertainties over the global growth outlook, gaining ground even on the euro despite French President Emmanuel Macron's comfortable election victory over far-right rival Marine Le Pen.

"With the French election out of the way the market is starting to focus on other worries. Stock markets are in the red this morning, and that risk aversion has generally benefitted the dollar, and this why the euro has been dragged a bit lower," said Sim Moh Siong, Currency Strategist, at Bank of Singapore.



## ECB policymakers keen for quick end to bond buys, early rate hike

European Central Bank policymakers are keen to end their bond purchase scheme at the earliest possible moment and raise interest rates as soon as July but certainly no later than September, nine sources familiar with ECB thinking told Reuters.

The ECB has been removing stimulus at the slowest possible pace this year but a surge in inflation is now putting pressure on policymakers to end their nearly decade-long experiment with unconventional support.

## Singapore March core inflation rises at fastest pace in a decade

Singapore's key consumer price gauge rose in March by its fastest pace in a decade, outpacing economist forecasts, driven by higher inflation for food and services, official data showed on Monday.

The core inflation rate — the central bank's favoured price measure - rose to 2.9% in March on a year-on-year basis, the highest since March 2012. A Reuters poll of economists had forecast a 2.4% increase.

Singapore's central bank tightened its monetary policy earlier this month, making a double barrel move, as the city-state ramped up its battle against soaring prices made worse by the Ukraine war and global supply snags.

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