

MARKET UPDATE

13/05/2022

Dollar Edges Lower, But Remains Near 20-Year High

The U.S. dollar edged lower in early European trade Friday but remained near a 20-year high with Federal Reserve Chair Jerome Powell largely cementing the likelihood of further hefty interest rate rises to combat stubbornly high U.S. inflation.

The dollar has been in demand for much of the year, with the Federal Reserve seen as one of the most aggressive of the world's central banks in combating soaring inflation.

Yen set to snap nine weeks of losses, dollar holds firm

The yen is poised to snap a nine-week losing streak on Friday on weakening risk sentiment, while another Wall Street selloff drove flight-to-safety bids to the dollar, which held near 20-year peaks.

The dollar regained a little ground on the Japanese currency and was last at 128.9 per dollar after hitting a two-week low of 127.5 overnight.

However, the dollar is still down 1.2% against the yen this week, its first week of declines since early March. The euro has fallen 2.6% versus the yen this week, its biggest drop also since early March as the common currency has been a major victim of the "risk off" mood.

Deutsche Telekom results beat estimates on subscriber gains

Deutsche Telekom (OTC:DTEGY) reported quarterly core profit and revenue above market estimates on Friday, boosted by its U.S. unit, T-Mobile, along with growth in its European business, and lifted its full-year outlook.

Adjusted earnings before interest, tax, depreciation and amortisation after leases (EBITDA AL) stood at 9.87 billion euros (\$10.26 billion), beating consensus estimates of 9.55 billion euros in a poll of analysts published consensus by the company.



Bitcoin Back Above \$30,000 as Tether Holds Strong Under Redemption Pressure

The price of Bitcoin leaped back above \$30,000 on Friday at the end of what had threatened to be its worst week in four years.

By 3:10 AM ET (0710 GMT), the world's biggest crypto asset was up 13% on the Bitfinex exchange at \$30,510, having fallen as low as \$26,600 on Thursday. That was its lowest since December 2020. The rebound was due largely to the easing of concerns about Tether, the world's largest stable-coin network, which had dipped over 6% at one stage on Thursday amid concerns about the quality of its backing.

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