

MARKET UPDATE

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Dollar stands tall as traders brace for Fed to go large

The U.S. dollar stood just below a 20-year peak on Tuesday and just about everything else nursed losses as investors braced for aggressive Federal Reserve rate hikes and a possible recession.

Markets have scrambled to bet on rapid-fire hikes in the wake of an unexpectedly hot inflation reading on Friday. Consecutive 75 basis point rate rises in June and July are close to fully priced, sending shockwaves across asset classes.

Cryptoverse: The funds making moolah from messy markets

The crypto market's a hot mess, leaving many investors struggling to turn a buck. Enter the arbitrageurs.

Bitcoin and other cryptocurrencies have either been shackled to ranges or in decline since January, leaving your regular buy-and-hold investor with little option but to sell or to wait for the elusive rally.

One class of seasoned investors is faring better, though: the arbitrageurs, players such as hedge funds who thrive on exploiting price differences between different geographies and exchanges.

Oil prices rise as tight supply counters China COVID, recession worries

Oil prices rose about \$1 in volatile trade on Tuesday as tight global supplies outweighed worries that fuel demand would be hit by a possible recession and fresh COVID-19 curbs in China.

Tight global supplies have been aggravated by a drop in exports from Libya amid a political crisis that has hit output and ports, while other producers in OPEC+ struggle to meet their production quotas and Russia faces bans on its oil over the war in Ukraine.



Asian stocks slide as Fed hike fears tip Wall St into bear market

Asian shares slid sharply and the safe-haven dollar held near a two-decade peak on Tuesday after Wall Street hit a confirmed bear market milestone on fears aggressive U.S. interest rate hikes would push the world's largest economy into recession.

MSCI's broadest index of Asia-Pacific shares outside Japan fell 0.45% in volatile trade, clawing back some of its earlier losses.

Australia's benchmark S&P/ASX200 closed 3.55% lower while Japan's Nikkei stock index was down 1.32%, having fallen as much as 2% earlier in the session.

The negative tone in Asia followed a bleak U.S. session on Monday, which saw Goldman Sachs (NYSE:GS) forecast a 75 basis point interest rate hike at the Federal Reserve's next policy meeting on Wednesday.

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