

MARKET UPDATE

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Dollar Edges Higher; Recession Fears Boost Safe Haven

The U.S. dollar edged higher in early European trade Tuesday, remaining near a one-week high as global recession fears prompted demand for the safe haven currency.

The People's Bank of China unexpectedly cut interest rates on Monday after the release of weak industrial production and retail sales data indicated that the world's second-largest economy struggled to shake off the hit to growth from its strict COVID restrictions.

First ship bound for Africa leaves Ukraine port

The ship Brave Commander has left the Ukrainian port of Pivdennyi, carrying the first cargo of humanitarian food aid bound for Africa from Ukraine since Russia's invasion, Refinitiv Eikon data showed on Tuesday.

Ukraine's grain exports have slumped since the start of the war because of the closure of its Black Sea ports, driving up global food prices and sparked fears of shortages in Africa and the Middle East. Moscow calls its action in Ukraine a "special military operation".

Three Black Sea ports were unblocked last month under a deal between Moscow and Kyiv, brokered by the United Nations and Turkey, making it possible to send hundreds of thousands of tonnes of Ukrainian grain to buyers.

Stocks subdued, oil weakens on recession fears

Asian markets struggled for direction on Tuesday, as they grappled with worries over global growth, following weak Chinese data that knocked oil prices and commodity-linked currencies.

The dollar briefly hit a one-week high as investors piled back into the safe-haven currency, while the Aussie, euro and Chinese yuan buckled. "We are confident that our rigorous diligence process — a process the SEC has already reviewed — keeps securities off our platform," Grewal added.

Chinese Property Stocks Skyrocket on More Stimulus Plans

Chinese property stocks rallied on Tuesday as the government outlined more infrastructure spending to help prevent an economic slowdown.

Hong Kong-listed stocks, including Country Garden Holdings Company Ltd (HK:2007), Longfor Properties Co Ltd (HK:0960), and China Resources Land Ltd (HK:1109) rallied between 10% and 15% after Reuters reported that the government was considering offering bond guarantees to certain property developers.

China is also planning to boost economic demand and shore up infrastructure construction in the third quarter, officials said on Wednesday. The country intends to increase the use of special local government bonds and new credit guarantees.

Their comments come after the People's Bank of China unexpectedly cut interest rates on Monday, as it attempts to shore up economic growth.

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