

# MARKET UPDATE

09/11/2022

## Cryptos attempt to steady as Binance-FTX deal chills market

Cryptocurrencies were jittery and groping for a floor on Wednesday, after a sharp and broad drawdown when nerves about the stability of exchange FTX turned to a rush of withdrawals and ultimately a bailout deal from bigger rival Binance.

Bitcoin, the biggest cryptocurrency by market value, was down 2% at \$18,250, after a 10% plunge on Tuesday that marked its worst day since mid-August. Ether, the next largest, has lost nearly 18% since early Tuesday.

The market focus was, however, on FTT, the token tied to FTX, whose financials have been the source of market angst since last week. FTT collapsed by 72% on Tuesday and was down a further 5% at a two-year low of \$4.61 on Wednesday.

## Asia stocks mixed; China extends losses as economic woes worsen

Asian stocks saw choppy trade on Wednesday as investors awaited the results of the U.S. midterm elections for more cues on the world's largest economy, while Chinese stocks slumped further on more weak economic data.

China's blue-chip Shanghai Shenzhen CSI 300 index fell 0.9%, while the Shanghai Composite index fell 0.5% after data showed the country's factory gate inflation shrank for the first time in a year. Consumer inflation also grew less than expected, as COVID-19 lockdowns crimped local economic activity.

The dismal data served to worsen sentiment toward Chinese markets, amid diminishing hopes that the country will scale back its strict COVID-19 rules.

China is struggling with its worst COVID outbreak since May, which saw the reintroduction of movement curbs in several economic hubs. This has also greatly soured investor sentiment towards the country, with local markets now unwinding a bulk of gains made last week.



## Citigroup to buy Deutsche Bank license in Mexico for wholesale unit

Citigroup Inc said on Tuesday it would purchase Deutsche Bank (ETR:DBKGn)'s Mexican license in order to continue its corporate and investment banking operation in the country, following the planned sale of its local retail unit.

Financial details were not disclosed, and Deutsche Bank said it would continue to grow and invest in Mexico through its broker dealer business there.

"The acquisition of this license, which is subject to the receipt of all regulatory approvals, facilitates the pursuit of our consumer exit and ability to continue our institutional operations in Mexico," Citi said in a statement to Reuters.

Citi Chief Executive Jane Fraser announced the Mexican retail unit was up for sale at the beginning of the year, and a buyer is expected to be named by the end of 2022 or beginning of 2023.

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