

# MARKET UPDATE

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## Oil steadies as traders await direction from U.S. inflation data

Oil prices steadied on Thursday after falling for three days as the impact of renewed COVID curbs in China, the world's biggest crude importer, weighed and traders await U.S. inflation data that may give direction on further interest rate increases.

Brent crude futures fell 2 cents to \$92.63 a barrel at 0534 GMT. U.S. West Texas Intermediate (WTI) crude futures were down 8 cents at \$85.75 a barrel.

Brent prices have dropped more than 6% so far this week, while WTI is down more than 7%.

The manufacturing hub of Guangzhou, a city of 19 million people, on Thursday reported more than 2,000 new cases for Nov. 9, the third day above that level, in the city's worst outbreak so far. Millions of residents were told to get tested for COVID-19 on Wednesday, and one city district has been locked down, as local cases across China reached their highest since April 30.

## Asia stocks sink as China fears worsen, U.S. inflation in focus

Asian stock markets fell on Thursday amid growing concerns over an economic slowdown in China, while a crash in the crypto market also dampened sentiment ahead of the release of key U.S. inflation data that is expected to factor into monetary policy.

Hong Kong and Chinese stocks fell the most among their peers, as investors continued to pull out strong gains made in the last week. Chinese authorities denied that the country has any plans to loosen its strict anti-COVID policies, sapping local markets of any upward momentum.

China's blue-chip Shanghai Shenzhen CSI 300 index fell 1.3%, extending losses into a third straight session, while the Shanghai Composite index shed 0.8%. Hong Kong's Hang Seng index slumped 2.2%, also falling for a third straight session.

The Hang Seng was dealt a double whammy of worsening Chinese sentiment and aversion to heavyweight technology stocks, which make up a bulk of the index.



## Bitcoin crashes below \$16K, crypto in freefall as Binance-FTX deal fails

Bitcoin slumped to a new two-year low on Thursday, with the broader crypto market in freefall after major exchange Binance withdrew a bailout offer for beleaguered peer FTX, raising doubts over its future and souring sentiment.

The world's largest cryptocurrency tumbled over 10%, falling as low as \$15,603.3- its weakest level since mid-2020. The token traded around \$16,138.5 by 21:52 ET (02:52 GMT), and has lost over 20% of its value this week.

Ethereum slumped nearly 12% to \$1,143.81- its weakest level in four months, with most other altcoins logging double-digit losses. Dogecoin slid 5% to \$0.078150, while Solana slumped 33% to \$14.656.

Crypto markets faced renewed losses on Wednesday after Binance CEO Changpeng Zhao said that the exchange pulled out of a non-binding deal to acquire FTX, which recently suspended withdrawals due to a liquidity crisis.

Binance cited concerns about corporate due diligence and reports that the world's third-largest crypto exchange mishandled customer funds. U.S. regulators are also reportedly investigating FTX. CEO Sam Bankman-Fried told employees that he is exploring all options for the firm after the Binance deal collapsed, although the move leaves FTX with few options beyond declaring bankruptcy.

The prospect of an FTX bankruptcy caused widespread losses across crypto markets, as the exchange liquidated a bulk of its holdings to meet customer withdrawals. Alameda Capital, the crypto trading desk owned by Bankman-Fried and also allegedly involved in boosting the value of FTX, was also seen liquidating its holding on chain

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