MARKET UPDATE

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US job growth expected to moderate but remain at brisk pace in March

The U.S. economy likely continued to churn out jobs at a brisk clip in March even though the labour market is losing its lustre as Federal Reserve interest rate hikes dampen demand.

The Labour Department's closely watched employment report on Friday, which is also expected to show the unemployment rate unchanged at 3.6% and moderate wage gains last month, is likely to be welcomed by officials at the U.S. central bank as they contemplate whether to halt their fastest rate hiking cycle since the 1980s. The report will be published at 8:30 a.m. EDT (1230 GMT) on a day when most financial markets are closed for the Good Friday holiday.

As with most recent economic data, it would be too early for financial market stress, triggered by the failure of two U.S. regional banks in March, to show up in the employment report.

Nonfarm payrolls likely increased by 239,000 last month, according to a Reuters survey of economists. Though that would be the smallest gain since December 2020, employment growth would still be more than double the 100,000 jobs per month that economists say is needed to keep up with growth in the working-age population.

JPMorgan's dealmaking flurry being scrutinized by US regulator – FT

JPMorgan Chase & Co (NYSE:JPM) is being scrutinized by U.S. regulators for the due diligence the bank conducted on a number of its past acquisitions, the Financial Times reported on Friday, citing people familiar with the matter.

The Office of the Comptroller of the Currency (OCC) in the U.S. scheduled a specific audit of JPMorgan's deal making after the bank bought dozens of smaller companies in 2021 and 2022, the report said.

This comes after the U.S. government filed criminal charges accusing Charlie Javice, the founder of the now-shuttered college financial aid company Frank, of defrauding JPMorgan into buying the startup for $175 million in 2021.

Samsung to cut chip output to ride out downturn, shares rally

Samsung Electronics (OTC:SSNLF) Co Ltd said on Friday it would make a "meaningful" cut to chip production, following the lead of smaller rivals, as it grapples with a sharp global downturn in semiconductor demand that has sent prices plummeting.

The unusual output cut by the world's biggest memory chipmaker - with no previous announcement recalled by Samsung (KS:005930) officials and analysts - came after it flagged a worse-than-expected 96% plunge in first-quarter profit.

Investors brushed off the profit miss, betting the move by the industry leader would support chip prices that had fallen by about 70% over the last nine months.

Samsung jumped 4.5% in early trading in the biggest one-day rise since September, while rival SK Hynix Inc's shares surged 5.6%.

Smartphone and personal computer makers had stocked up on chips during the pandemic when demand for consumer devices surged, but they are now running down inventories as shoppers cut back on purchases amid rising inflation.

Samsung said memory demand had dropped sharply because of a weak global economy and customers slowing purchases as they focused on using up their stocks.

"We are lowering the production of memory chips by a meaningful level, especially that of products with supply secured," it added, in a reference to those with sufficient inventories.