MARKET UPDATE

09/02/2024

Yen hits 10-week low.

The yen slipped to a 10-week low on Friday, while the dollar ground towards a fourth weekly advance as traders dialled back bets on how quickly the Bank of Japan will raise interest rates and how soon the Federal Reserve will cut them.

The yen was little changed at 149.395 per dollar after dipping to 149.495 earlier for the first time since Nov. 27. It slumped 0.76% in the previous session, and is set for a 0.68% slide this week.

BOJ Governor Kazuo Ueda said on Friday there was a high chance for easy monetary conditions to persist even after the central bank ends negative interest rate policy, which the market expects to happen as early as next month.

That echoed dovish comments from his deputy, Shinichi Uchida, a day earlier that "it's hard to imagine" that rates would rise "rapidly."

"Yen's overreaction is a warning sign that market may still be expecting a steeper tightening from the BOJ and may be disappointed later," Saxobank's head of FX strategy Charu Chanana wrote in a report.

Oil heads for weekly gains.

Oil prices were little changed on Friday, staying on track for weekly gains, with tensions persisting in the Middle East after Israel rejected a ceasefire offer from Hamas.

Brent crude futures slipped 1 cent to $81.62 a barrel by 0334 GMT, while U.S. West Texas Intermediate crude futures rose 3 cents to $76.25 a barrel.

Both benchmarks rose about 3% in the previous session as Israeli forces bombed the southern border city of Rafah on Thursday after Prime Minister Benjamin Netanyahu rejected a proposal to end the war in the Palestinian enclave.

The tensions have kept oil prices elevated, with Brent and WTI both set to gain more than 5% for the week.

"The move yesterday seemed a bit excessive on the back of not very much at least in terms of fundamentals," ING's head of commodities research Warren Patterson said.

"I still expect the rangebound trading that we have become accustomed to recently will continue given the comfortable oil balance."

Nissan shares plummet.

Nissan Motor saw its shares plunge as much as 11.7% on Friday in what could become their biggest selloff since 2001, after the automaker trimmed its sales volume forecast for this financial year and amid worries about its business in China.

The decline wiped around $1.8 billion off the stock's market value and put Nissan (OTC:NSANY) on track for its biggest single-day drop since falling more than 12% in September 2001.

Nissan maintained its annual operating profit view of 620 billion yen ($4.15 billion) on Thursday as it expected a more profitable product mix to offset a downward revision to its sales outlook, to 3.55 million vehicles from 3.7 million.

"Especially given what's happening in China, we have revised our full-year forecast," Nissan Chief Financial Officer Stephen Ma told a press briefing after the release of earnings results.

"This reflects challenges including intensifying competition and logistics issues around our key markets."

The Japanese automaker has responded to a 26% fall in nine-month retail sales volume in China by taking steps to mitigate industry-wide challenges and boost competitiveness in the world's biggest car market, Ma said.

Industry-wide, China vehicle sales rose 12% last year versus the year earlier to 30.1 million vehicles, showed data last month from the China Association of Automobile Manufacturers.

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