

MARKET UPDATE

21/05/2024

Gold prices hit record high.

Gold prices hit a record high in Asian trade on Monday as increased geopolitical tensions in the Middle East boosted safe haven demand, while a broader rally across metal markets also spilled over into the yellow metal.

Spot gold rose nearly 1% to a record high of \$2,440.56 an ounce, while gold futures expiring in June hit a record high of \$2,444.55 an ounce.

Middle East stability in focus after Iran helicopter crash

Media reports over the weekend showed that a helicopter carrying Iranian President Ebrahim Raisi and his foreign minister crashed amid bad weather conditions on Sunday.

Rescue efforts were underway, but Reuters quoted Iranian officials stating that their lives were at risk.

Raisi was seen as a contender to become Iran's next supreme leader, and was also regarded as a major hardliner on cracking down against domestic protests and implementing more morality laws.

Bitcoin price today rebounds to \$70k.

Bitcoin price rose sharply on Tuesday, tracking a rally in Ether after a media report flagged some progress towards the approval of spot-Ether exchange-traded funds for U.S. markets.

The world's largest cryptocurrency rose 5.8% in the past 24 hours to \$70,987.1 by 01:08 ET (05:08 GMT).

But world no.2 token Ether was the star performer on Tuesday, surging 17% to a 1-½ month high of \$3,656.01.

Ether surges as report says SEC asks ETF applicants to update key filings

A report from Coindesk showed that the U.S. Securities and Exchange Commission asked applicants for spot Ether ETFs to update some key filings, ahead of a key deadline for the approval of the funds later this Thursday.

While the report said that there was still no guarantee that the regulator will approve the ETFs, it did mark some progress towards an eventual approval.

Dollar steady, ether sparks crypto rally.

The dollar was firm on Tuesday while the yen struggled on the weaker side of the 156 level, though trade was mostly rangebound as investors generally stuck to their views of the expected timing and extent of Federal Reserve rate cuts this year.

Cryptocurrencies rallied, led by a surge in ether on growing anticipation of an impending approval of spot ether exchange-traded funds (ETFs) by the U.S. Securities and Exchange Commission (SEC).

Against the yen, the dollar rose 0.11% to 156.41 in Asia.

The yen has traded in a tight range over the past few sessions as fears of further intervention from Japanese authorities deterred traders from pushing the currency to new lows. However, the still-stark interest rate differentials between the U.S. and Japan maintained the appeal of the yen as a funding currency.

Elsewhere, the euro edged 0.02% higher to \$1.0859, while sterling similarly tacked on 0.04% to \$1.27115.

With little on the U.S. economic data calendar this week to guide the direction of currency moves, investors' focus is turning to a slew of Fed speakers for clues on the U.S. rate outlook and how soon an easing cycle could begin.

Several officials on Monday called for continued policy caution, even after data last week showed a welcome easing in consumer price pressures in April.

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