

MARKET UPDATE

12/08/2024

Oil extends gains for fifth straight session.

Oil prices rose for a fifth consecutive session on Monday, extending gains from last week's more than 3% rise, as U.S. recession fears eased while geopolitical tensions in the Middle East supported prices.

"There is also a great deal of anxiety about when Iran might look to avenge Israel's assassination of key Hamas and Hezbollah leaders. Feels like a matter of when - not if."

Iran and Hezbollah have vowed to retaliate for the assassinations of Hamas leader Ismail Haniyeh and Hezbollah military commander Fuad Shukur.

In addition, the Israeli incursion into Gaza intensified on Saturday with an airstrike on a school compound that killed at least 90 people, according to the Gaza Civil Emergency Service, though Israel said the death toll was inflated. Hamas cast doubt on its participation in new ceasefire talks on Sunday.

Three U.S. central bankers said last week that inflation appeared to be cooling enough for the Federal Reserve to cut interest rates as soon as next month.

Asian stocks rise with inflation readings on tap.

Most Asian stocks rose on Monday, extending a rebound from last week amid growing hopes that concerns over a U.S. recession were overblown, with focus turning squarely to a string of key inflation readings this week.

Chinese markets lagged their peers, having mostly missed last week's rebound rally amid persistent concerns over an economic slowdown in the country. A string of key June quarter earnings are also due this week.

A market holiday in Japan made for softer trading volumes in Asia, although Nikkei 225 Futures still rose.

Regional markets took positive cues from a strong Friday close on Wall Street, which saw U.S. stock benchmarks erase all of their losses logged last week. U.S. stock index futures fell slightly in Asian trade.

Focus this week is largely on U.S. consumer price index data, due Wednesday, for more cues on when the Federal Reserve will begin trimming interest rates. Investors are split over a 25 and 50 basis point cut in September.



Bitcoin price today down to \$58k.

Bitcoin price fell on Monday, extending a sell-off seen over the weekend as sentiment towards crypto markets remained frail following a deep rout over the past month.

Crypto saw some relief towards the end of last week, tracking a rebound in broader financial markets as investors bet that fears of a U.S. recession were overblown.

But this notion ran out of steam over the weekend, with crypto tokens seeing extended selling in the past two days.

Bitcoin fell 4.3% to \$58,520.7 by 01:52 ET (05:52 GMT). Trading volumes were also somewhat muted on account of a Japanese market holiday.

Bitcoin rangebound after sliding to \$49k

The world's biggest cryptocurrency was rangebound between \$50,000 and \$60,000 over the past week, after sinking as low as \$49,000 earlier.

Sentiment towards risk-driven markets remained strained, especially in anticipation of key U.S. inflation data on Wednesday, which is set to offer more cues on the Federal Reserve's plans for interest rate cuts.

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