

# MARKET UPDATE

**11/12/2024**

## **Asia stocks mixed ahead of US inflation.**

Asian stocks were mixed on Wednesday as investors exercised caution ahead of a key U.S. inflation reading, while Chinese stocks rose in anticipation of more government cues on stimulus measures.

Investors also limited their risk exposure due to geopolitical tensions in the Middle East, after rebel forces ousted Syria's government and took control of Damascus.

U.S. stock index futures were slightly higher in Asian trade, after closing lower overnight due to weakness in technology stocks. Focus is now on key consumer price index data, due later on Wednesday, for more cues on U.S. interest rates.

China, Hong Kong shares rise ahead of CEWC

The Shanghai Composite index rose 0.4% on Wednesday, while the Shanghai Shenzhen CSI 300 index edged 0.2% higher. Hong Kong's Hang Seng index jumped 0.8%. All three indexes had recorded sharp gains earlier this week.

## **Oil prices edge higher with focus on US inventories.**

Oil prices rose slightly in Asian trade on Wednesday amid continued cheer over stimulus measures in top importer China, while traders awaited more cues on the U.S. economy and oil inventories.

Gains in crude markets were limited by resilience in the dollar, which firmed ahead of key U.S. inflation data due later in the day, which is likely to factor into the outlook for interest rates.

Geopolitical tensions also kept oil's risk premium in play, as traders awaited the formation of a new government in Syria after rebels ousted President Bashar al-Assad.

Brent oil futures expiring in February rose 0.4% to \$72.47 a barrel, while West Texas Intermediate crude futures rose 0.4% to \$68.55 a barrel by 20:41 ET (01:41 GMT).

US inventories see unexpected build- API

Data from the American Petroleum Institute showed on Tuesday that U.S. oil inventories unexpectedly grew by about 0.5 million barrels in the week to December 6, against expectations for a draw of 1.3 mb.



## Bitcoin price today steadies at \$97k.

Bitcoin moved little on Wednesday, steadying from a recent price rout as traders shied away from big bets ahead of key U.S. inflation data that is likely to factor into the outlook on interest rates.

The world's largest cryptocurrency remained squarely within a \$90,000 to \$100,000 trading range established over the past few weeks, amid cooling optimism over friendly regulations under incoming President Donald Trump.

Broader crypto prices clocked heavy losses, as risk appetite worsened this week on heightened geopolitical tensions in the Middle East and Asia. Crypto markets were also subject to profit-taking after a strong run through November.

Bitcoin rose 0.6% to \$97,483.5 by 00:53 ET (05:53 GMT).

CPI data awaited for more rate cues

Focus on Wednesday was squarely on upcoming consumer price index inflation data, which is expected to factor into the Federal Reserve's plans for interest rates.

The reading comes just a week before a Fed meeting, where the central bank is widely expected to cut rates by 25 basis points.

But markets have turned more uncertain over the long-term outlook for interest rates, amid recent signs of sticky inflation. Expansionary and protectionist policies under Trump are also expected to underpin inflation, keeping rates higher in the long term.

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