

Index	Last	Change
DJIA	39,350.48	180.00
S&P 500	5,475.48	16.47
NASDAQ	20,012.63	200.22
NIKKEI	40,095.00	489.5
HANG SENG	17,749.00	20.33
DJ EURSTOXX 50	4,982.18	18.98
FTSE 100	8,281.05	15.64
CAC 40	7,978.51	43.48
DAXX	18,570.79	23.50

➤ **US**

Stock futures are little changed after S&P 500 notches another record close

Stock futures were little changed on thursday afternoon after the S&P 500 notched a fresh record close.

Futures connected to the Dow Jones Industrial Average dipped 9 points or 0.02%. S&P 500 futures and Nasdaq-100 futures climbed 0.05% and 0.15% respectively.

Wall Street is coming off a mixed session that pushed the Nasdaq Composite

and S&P 500 to new records as Federal Reserve Chair Jerome Powell cautioned that keeping rates elevated for too long could stunt economic growth. The S&P 500 edged up 0.07%, while the Nasdaq added 0.14%. The 30-stock Dow ticked down 52.82 points, or 0.13%.

“Reducing policy restraint too late or too little could unduly weaken economic activity and employment,” said Powell, speaking to the Senate Banking Committee as part of his semiannual address to Congress on Tuesday. He continues his testimony Wednesday before the House Financial Services Committee. “More good data would strengthen our confidence that inflation is moving sustainably toward 2%,” Powell added.

Wednesday marks a light day for economic data, with a final wholesale inventories reading for May due ahead of the June consumer price index reading on Thursday. The June producer price index will follow on Friday.

Many view the upcoming CPI print as a key test for the market and the outlook for rate cuts.

“If we get a cooler print on CPI this week and if get a cooler print on PPI, September will get priced in as a lock,” Liz Young Thomas, SoFi’s head of investment strategy, said on CNBC’s “Closing Bell” on Tuesday, cautioning that at some point, cooler data may become too cool.

Investors went into risk-on mode in the fixed income world in June, as exchange traded funds holding bank loans and collateralized loan obligations saw more than \$1.6 billion in flows, State Street found.

The funds have seen 13 consecutive months with inflows, receiving more than \$18 billion in that period, according to Matthew Bartolini, head of SPDR Americas Research at State Street Global Advisors.

Select offerings in the space tout 30-day SEC yields exceeding 6%.

➤ **EUROPE & UK**

European markets open slightly higher as attention shifts to U.S. data

LONDON — European stocks opened cautiously higher thursday as investors turn their attention stateside after a week of political drama.

The Stoxx 600 index was 0.17% higher in early deals, as most sectors moved into the green. Travel topped gains, up 0.6%, as mining stocks slipped 0.3%.

Norwegian tech group Kongsberg topped gains, up 7.8%, after reporting a 21% rise in operating revenue.

European stocks closed lower on Tuesday as investors in the region weighed up political uncertainty in France after Sunday's election result in which the left-wing New Popular Front (NFP) won the largest number of seats but failed to win an absolute majority. The NFP is demanding that President Emmanuel Macron allow it to form a government, and to pick one of its candidates as France's next prime minister.

France's CAC 40 index closed 1.81% lower Tuesday as traders assessed the implications of a hung parliament and a period of political uncertainty in France. The index opened 0.1% higher Wednesday.

Asia-Pacific markets were mixed overnight, even as key Wall Street benchmarks rose following dovish comments from U.S. Federal Reserve Chairman Jerome Powell Tuesday. Powell cautioned that keeping rates elevated for too long "could unduly weaken economic activity and employment."

On Thursday, the monthly U.S. consumer price index will be released, followed by the producer price index on Friday. Both prints and whether they surprise to the upside or downside will be key gauges of the interest rate outlook.

U.S. stock futures were little changed in overnight trading Tuesday after the S&P 500 notched a fresh record close.

Earnings come from Wetherspoons and the National Grid. There are no major data releases.

➤ **ASIA**

Japan stocks scale new peaks after inflation data meets expectations amid mixed Asia markets

- **Traders in Asia assessed wholesale inflation numbers from Japan, with focus also on inflation data out of China.**
- **China's inflation numbers narrowly missed expectations, recording a 0.2% rise compared to expectations of a 0.4% climb from Reuters.**
- **Japan's Nikkei 225 extended gains from Tuesday to reach a fresh closing high at 41,831.99, while the broad-based Topix gained 0.47% to close at 2,909.2, also at a new closing high.**

Asia-Pacific markets were mixed on thursday, with Japan markets hitting new records after inflation data from the country met expectations.

Japan's Nikkei 225 extended gains from Tuesday to reach a fresh closing high of 41,831.99, while the broad-based Topix gained 0.47% to close at 2,909.2, also a record closing high.

Inflation in China narrowly missed expectations, with the consumer price index posting a 0.2% rise in June, softer than the 0.4% rise expected from economists polled by Reuters and down from 0.3% in May.

The country's PPI fell 0.8% year on year, in line with expectations and a softer fall of 0.8% from May's 1.4% decline.

Hong Kong's Hang Seng index was nearly flat as of its final hour of trading, while mainland China's CSI 300 dropped 0.32% to close at 3,428.96.

Separately, Reuters reported that China's largest insurer, Ping An Insurance, is considering issuing convertible bonds worth up to \$5 billion, according to sources with direct knowledge of the matter.

Japan's corporate goods price index rose to 2.9% in June from a year earlier, in line with expectations and climbing at a faster pace compared to a revised 2.6% in May. The CGPI measures the price changes of goods traded within the corporate sector.

On Wednesday, the National Samsung Electronics Union, the largest workers' union of electronics giant Samsung Electronics called for an indefinite strike, following news that it was initially going on strike from Monday to Wednesday.

Shares of Samsung Electronics ended Wednesday flat after the announcement.

Separately, South Korean defense manufacturer Hanwha Aerospace announced a 1.38 trillion won (\$1 billion) order from Romania to supply K9 howitzers to the country.

Australia's S&P/ASX 200 was down 0.16%, closing at 7,816.8.

Overnight in the U.S., the S&P 500 climbed to a fresh record, gaining 0.07% to 5,576.98 and marking its 36th record close of the year after dovish comments overnight from U.S. Federal Reserve Chairman Jerome Powell.

Powell signaled caution over leaving interest rates at too high a level, saying that "reducing policy restraint too late or too little could unduly weaken economic activity and employment."

The Nasdaq Composite added 0.14% to close at 18,429.29, also ending the day at a record. The Dow Jones Industrial Average ticked down 0.13%.

Economic Release

<i>Event</i>	<i>Survey</i>	<i>Prior</i>
EUR : -	-	-

- **US and Canada**

<i>Event</i>	<i>Survey</i>	<i>Prior</i>
US : JOBLESS CLAIMS	179K	190K

DOMESTIC MARKET

Stocks	Last	Close	Change	Volume
SOLIDERE A	69	69	0.00	0
SOLIDERE B	69.05	69.05	0.00	0
HOLCIM	65.85	65.85	0.00	0
BLOM	#N/A N/A	#N/A N/A	#N/A N/A	0
BLOM BANK	4.37	4.37	0.00	0
AUDI	1.56	1.56	0.00	0
BYBLOS BK	0.67	0.67	0.00	0

FOREIGN EXCHANGE

Currencies	BID	ASK
EUR/USD	1.08	1.085
GBP/USD	1.28	1.285
USD/JPY	161.5	162
USD/CAD	1.36	1.365
USD/LBP	89500	89500
USD/CHF	0.90	0.905

Commodities	Spot	Closing
GOLD	2385.68	2387.07
SILVER	31.8006	31.2732
CRUDE OIL	87.2	86.91

Market Summary

Commodities

GOLD

Gold rangebound with spotlight on U.S. inflation reading

Gold traded in a narrow price range on thursday as investors looked forward to a key U.S. inflation reading that could shed more light on the Federal Reserve's interest rates trajectory.

Spot gold rose 0.2% to \$2,367.79 per ounce by 0229 GMT. U.S. gold futures climbed 0.3% to \$2,374.10.

Fed Chair Jerome Powell in his testimony to the Senate said inflation had been improving in recent months and that "more good data would strengthen" the case for looser monetary policy. Powell will next speak before the House later in the day.

"With the recent run of weaker U.S. data, the case has been built around a September rate cut, but with the Fed Chair still wanting to see more good data, further inflation progress will be needed to offer more confidence for policymakers to open the door to rate cuts," said IG market strategist Yeap Jun Rong.

Traders currently see a 73% chance of a rate cut in September, according to the CME Group's FedWatch Tool. Non-yielding bullion's appeal tends to shine when interest rates are lower.

The June consumer price index (CPI) data, due on Thursday, is expected to show that headline prices rose 0.1% on the month, while core prices gained 0.2%. That would put annual gains at 3.1% and 3.4%, respectively.

“Any surprise resurgence in pricing pressures may challenge the Fed’s inflation fight, which could raise calls for a delayed policy easing process. That may weigh on gold, which could see prices fall back towards the \$2,300 level of support,” Yeap said.

Global physically backed gold exchange traded funds saw the second consecutive month of inflows in June due to additions to holdings by Europe- and Asia-listed funds, the World Gold Council said on Tuesday.

OIL

Oil rebounds as U.S. stockpiles drop, interest rate cut outlook brightens

Oil prices rebounded on Wednesday following three days of declines after an industry report showed U.S. crude and fuel stockpiles fell last week, indicating steady demand, and the outlook for interest rate cuts improved.

Brent futures rose 21 cents to \$84.87 a barrel by 0055 GMT, after falling 1.3% in the previous session.

U.S. West Texas Intermediate (WTI) crude rose 26 cents to \$81.67 a barrel, after falling 1.1% in the previous session.

WTI has dropped 3% in the previous three sessions amid concerns about flagging global oil demand and as signs appeared that the Texas energy industry came off relatively unscathed from Hurricane Beryl after it hit the region on Monday. Brent is down 3.2% over the same period.

U.S. crude oil and gasoline inventories fell last week, according to market sources citing American Petroleum Institute figures on Tuesday, indicating summer fuel demand is steady and driving the rebound after days of declines.

The API figures showed crude stocks were down by 1.923 million barrels in the week ended July 5, the sources said. Gasoline inventories fell by 2.954 million barrels. However, distillate supply rose by 2.342 million barrels.

Prices were also supported by comments from U.S. Federal Reserve Chair Jerome Powell that suggested the case for interest rate cuts is becoming stronger. Lower interest rates should spur more economic growth and therefore more oil consumption.

Following Powell's comments investors continued to put a nearly 70% probability on a Fed rate cut in September.

"Powell's remarks to the Senate affirmed the improvement in data through the June quarter, while maintaining that more good data would boost confidence in the inflation outlook," ANZ analysts said in a note on Wednesday.

The outlook for higher oil prices was also supported by a U.S. Energy Information Administration (EIA) report on Tuesday showing global oil demand will outpace supply next year, reversing a prior forecast for a surplus.

In Texas, oil and gas companies restarted some operations on Tuesday after Hurricane Beryl lashed the state, while some facilities sustained damage and power had not been fully restored.

Beryl's impact on oil and gas production was expected to be limited, and on Tuesday, some ports reopened and most producers and facilities were ramping up output.

Investors are expecting official U.S. oil stocks data on Wednesday at 10:30 a.m. EDT (1430 GMT) from the EIA.

FX

Dollar firm on Powell caution, kiwi bides time before rates decision

U.S. stock futures edged up early wednesday after the S&P 500 and Nasdaq Composite closed at fresh record highs.

Dow Jones Industrial Average futures rose 77 points, or 0.19%. S&P 500 futures and Nasdaq 100 futures climbed 0.26% and 0.40%, respectively.

The S&P 500 and Nasdaq Composite closed Monday's trading session at all-time highs again, each rising slightly as investors awaited key inflation data and earnings results due out later this week. The broad market index closed up 0.1%, while the tech-heavy Nasdaq gained 0.3%. Meanwhile, the Dow Jones Industrial Average was the laggard, closing down 31 points, or 0.1%.

The S&P 500 continued its advance as easing pricing pressures, and slowing growth, have investors increasingly optimistic the Federal Reserve will soon start to ease up on monetary policy. But others, who are concerned a correction is on the horizon, are urging investors to broaden their exposure.

"You really want to stay broadly diversified," Courtney Garcia, senior wealth advisor at Payne Capital Management, told CNBC's "Closing Bell" on Monday. "I don't think that the momentum trade here is ending, especially in the short term, but when it changes, it's going to change fast. And when you're looking at valuations, there's a lot of opportunities here."

Federal Reserve Chair Jerome Powell will testify this week before Congress as part of his semiannual update on monetary policy. Powell will speak first to the Senate Banking

Committee on Tuesday, followed by an appearance Wednesday before the House Financial Services Committee.

Key inflation data is due out later this week with the June consumer price index on Thursday, as well as the producer price index on Friday.

On the earnings front, PepsiCo and Delta Air Lines are set to post results on Thursday. Bank earnings results from Citigroup and JPMorgan Chase are due out Friday.

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