

Index	Last	Change
DJIA	42,141.48	91
S&P 500	5,813.48	19
NASDAQ	20,387.63	-163
NIKKEI	39,100.00	232.5
HANG SENG	22,682.00	82.5
DJ EURSTOXX 50	4,982.18	18.98
FTSE 100	8,276.5	39.64
CAC 40	7,978.51	43.48
DAXX	18,330.79	58.1

➤ **US**

S&P 500 futures slip after Microsoft reports; traders brace for key inflation data: Live updates

Stock futures slid on Thursday morning as Wall Street absorbed a fresh batch of earnings reports from megacap technology names.

In after-hours action, Meta Platforms dropped 3% after missing the Street's expectations for user growth and warning that capital expenditures will rise in 2025. Microsoft's revenue guidance disappointed investors, dragging shares nearly 4% lower. Investors also weighed the third-quarter U.S. gross domestic product reading, which showed that the economy grew at a 2.8% annualized rate, falling short of the 3.1% consensus forecast from Dow Jones.

Another market catalyst awaits on Thursday morning: the personal consumption expenditures price index for September. This also happens to be the Federal Reserve's preferred inflation indicator. Economists polled by Dow Jones expect that the PCE grew by 0.2% on a monthly basis and 2.1% from a year earlier.

This PCE reading, along with Friday's October payrolls report, will inform the Fed's interest rate decision on Nov. 7 when it ends its two-day policy meeting.

"Growth up, inflation down is precisely what you want to see," said Jamie Cox, managing director at Harris Financial Group. "The Fed doesn't need to be afraid of a stable and growing economy to normalize rates this cycle so long as disinflation persists."

Stock futures were lower on Wednesday, as investors digested fresh earnings from technology companies including Meta Platforms and Microsoft.

S&P 500 futures ticked down 0.2%, while Nasdaq 100 futures were 0.3% lower. Dow Jones Industrial Average futures slipped 25 points, or 0.06%.

The coffee chain said its global same-store sales dropped 7% in the fiscal fourth quarter, as demand in the U.S. and China sagged. Results in the period disappointed, with earnings coming in at 80 cents per share on revenue of \$9.07 billion. Analysts polled by LSEG were looking for \$1.03 per share in earnings and \$9.36 billion in revenue.

EUROPE & UK

European markets expected to open lower ahead of euro zone inflation data

LONDON — European markets were heading for a lower open Thursday as investors look ahead to the latest euro zone inflation data.

The preliminary reading for October will be closely watched as it will inform the European Central Bank as to the trajectory of expected interest rate cuts.

Flash economic data published Wednesday showed that the euro zone economy grew 0.4% in the third quarter of 2024, above the 0.2% rise expected by economists polled by Reuters.

Shares of Britain's banks rose on Wednesday afternoon after it appeared the Labour government's first budget in nearly 15 years would stop short of imposing a levy on the sector's profits. Among a litany of tax rises announced to allow for more borrowing to boost investment, U.K. Rachel Reeves did not mention whether the government had plans to raise taxes on the country's bank

U.S. stocks were muted Wednesday as traders digested a deluge of earnings results and data showing the economy grew at a slower-than-expected rate in the third quarter. GDP rose at a 2.8% annualized rate, while economists surveyed by Dow Jones had been looking for an increase of 3.1%.

Overnight, U.S. stock futures slid while Asia-Pacific markets slipped as investors reacted to the Bank of Japan's rate hold, as well as key business activity figures from China.

Japan's central bank said it will keep hiking rates if the country's economy continues to recover, the BOJ wrote in its quarterly outlook report.

This comes after the bank held its benchmark policy rate at 0.25% on Thursday.

The report puts Japan's "potential growth rate" at 0.5% to 1%, with the BOJ adding that the country's economy is likely to "keep growing at a pace above its potential growth rate."

However, the BOJ also highlighted that it needs to "pay due attention" to the course of overseas economies, particularly the U.S., as well as developments in capital and financial markets.

➤ ASIA

Asia markets slip as BOJ holds rates; China factory activity expands for first time since April

Asia-Pacific markets slipped Thursday as investors look to the Bank of Japan's rate decision, as well as key business activity figures from China.

The BOJ held its benchmark policy rate at 0.25%, unchanged from the previous meeting. The bank released a two-line statement simply stating the decision, with no clues on the timing of its next rate hike.

In China, the country's manufacturing purchasing managers index flipped into expansion territory for the first time since April, with the National Bureau of Statistics revealing the manufacturing PMI came in at 50.1.

This beat forecasts from a Reuters poll of economists, who expected the manufacturing PMI to come in at 49.9, a softer contraction than the 49.8 the month before.

Japan's benchmark Nikkei 225 was 0.5% lower after the BOJ decision, closing at 39,081.25 and snapping a three-day winning streak. The broad based Topix slipped 0.3%, also ending three straight days of gains and finishing at 2,695.51.

South Korea's Kospi was 1.45% lower at 2,556.15, leading losses in Asia and hitting its lowest level since Sept. 11, but the small cap Kosdaq was up 0.66%, closing at 743.06.

Economic Release

<i>Event</i>	<i>Survey</i>	<i>Prior</i>
EUR : CPI	0.2%	-1.3%

- **US and Canada**

<i>Event</i>	<i>Survey</i>	<i>Prior</i>
US : JOBLESS CLAIMS	165K	176K

DOMESTIC MARKET

Stocks	Last	Close	Change	Volume
SOLIDERE A	98	98	0.00	0
SOLIDERE B	96.05	96.05	0.00	0
HOLCIM	67.85	67.85	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	0.7	0.7	0.00	0

FOREIGN EXCHANGE

Currencies	BID	ASK
EUR/USD	1.085	1.09
GBP/USD	1.295	1.30
USD/JPY	152	152.5
USD/CAD	1.38	1.385
USD/LBP	89500	89500
USD/CHF	0.865	0.87

Commodities	Spot	Closing
GOLD	2790.068	2795.07
SILVER	34.85	34.8
CRUDE OIL	73.2	73.91

Market Summary

Commodities

GOLD

Gold prices hover near record peak on U.S. election jitters

Gold prices climbed to a record high on Thursday and were headed for their best month in seven on safe-haven demand ahead of the U.S. presidential election, while investors awaited U.S. inflation report for clues on the interest rate path.

Spot gold was steady at \$2,786.89 per ounce, as of 0254 GMT, after hitting a record high of \$2,790.15 earlier in the session. Prices have firmed 6% for the month so far.

U.S. gold futures dipped 0.1% to \$2,797.80.

The Nov. 5 U.S. election has entered its crucial final phase, with opinion polls indicating a close fight to call a winner between Republican former U.S. President Donald Trump and Democratic Vice President Kamala Harris.

“Rise in gold looks a lot like one of the Trump trades, or effectively a hedge against greater deficit spending in the United States,” said Kyle Rodda, financial market analyst at Capital.com.

Investors’ focus will be on core personal consumption expenditures (PCE) data due at 1230 GMT. The September core PCE price index is expected to have increased 0.3%, following August’s 0.1% gain.

“Traders want to buy gold whether it rises or falls, and that has kept retracements small and consolidations tight. And its trend seems poised to continue higher should PCE inflation come in at 0.2% m/m or less,” said Matt Simpson, senior analyst at City Index.

U.S. weekly jobless claims, due later in the day, and payrolls report on Friday are also on radar.

Traders see a 96% chance that the Fed will deliver a quarter-point reduction in short-term borrowing costs next week.

Bullion is considered a safe investment during economic and geopolitical uncertainties and thrives in a low interest rate environment.

Manufacturing activity in key metals consumer China expanded in October for the first time in six months, an official factory survey showed, supporting policymakers’ optimism that recent fresh stimulus will get the economy back on track.

OIL

Oil prices rise on optimism over solid U.S. fuel demand

Oil prices rose on Thursday, extending the previous day’s rally, driven by optimism over U.S. fuel demand following an unexpected drop in crude and gasoline inventories, while reports that OPEC+ may delay a planned output increase offered support.

Brent crude futures gained 35 cents, or 0.5%, to \$72.90 a barrel by 0029 GMT. U.S. West Texas Intermediate crude futures climbed 32 cents, or 0.5%, to \$68.93 per barrel.

Both contracts rose more than 2% on Wednesday, after falling more than 6% earlier in the week on the reduced risk of wider Middle East war.

U.S. gasoline stockpiles fell unexpectedly in the week ending Oct. 25 to a two-year low on strengthened demand, the Energy Information Administration said, while crude inventories also posted a surprise drawdown as imports slipped.

Nine analysts polled by Reuters had expected an increase in gasoline and crude inventories.

“The surprise decline in U.S. gasoline stockpiles provided a buying opportunity as demand appeared stronger than anticipated,” said Toshitaka Tazawa, an analyst at Fujitomi Securities.

“Expectations of a potential delay in the OPEC+ production increase were also supportive... If they do delay, WTI could recover to the \$70 level,” he said.

Reuters reported OPEC+, which groups the Organization of the Petroleum Exporting Countries and allies such as Russia, could delay a planned oil production increase in December by a month or more because of concern over soft oil demand and rising supply.

The group is scheduled to raise output by 180,000 barrels per day (bpd) in December. It had already delayed the increase from October because of falling prices.

A decision to postpone the increase could come as early as next week, two OPEC+ sources told Reuters.

OPEC+ is scheduled to meet on Dec. 1 to decide its next policy steps.

In the Middle East, Lebanon’s prime minister expressed hope on Wednesday that a ceasefire deal with Israel would be announced within days as Israel’s public broadcaster published what it said was a draft agreement providing for an initial 60-day truce. statistical arm of the U.S. Department of Energy.

FX

Yen under pressure as BOJ keeps rates steady

The yen remained under pressure on Thursday as the Bank of Japan kept ultra-low interest rates steady, while the U.S. dollar consolidated ahead of jobs data later this week and the U.S. presidential election next week.

The Japanese currency has taken a beating this month as the dollar and U.S. Treasury yields have hovered around their highest since July.

The yen has fallen more than 6% in October and is on track for what would be its biggest monthly loss against the greenback since November 2016.

Japan's political shake-up has only added to the yen's woes, heightening uncertainty about the country's fiscal and monetary policy outlook.

The BOJ kept interest rates steady on Thursday and roughly maintained its forecast that inflation will hover near its 2% inflation target in coming years, signaling its readiness to continue rolling back its massive monetary stimulus.

Analysts are divided over the prospect of additional interest rate hikes by year-end, putting the focus on BOJ Governor Kazuo Ueda's post-meeting briefing for clues on the pace and timing of further increases.

The yen was down 0.02% at 153.34 versus the dollar, largely unchanged after the BOJ's decision as it hung not far off a three-month low of 153.885 hit on Monday.

"Any strengthening of the yen at present would likely result from a general weakening of the U.S. dollar if interest rates begin to align," said Sean Teo, a sales trader at Saxo.

The recent decline in the yen may be making many traders cautious given that excessive weakening could grab the attention of Japanese authorities, he added.

Markets got more economic data from China ahead of the BOJ's decision, with the National Statistics Bureau's manufacturing PMI showing activity in October expanded for the first time in six months.

The official PMI rose to 50.1 in October from 49.8 in September, just above the 50-mark separating growth from contraction and beating a median forecast of 49.9 in a Reuters poll.

U.S. nonfarm payrolls closes out the week on Friday in the run-up to the presidential election on Tuesday.

Some investors have been putting on trades betting Republican candidate Donald Trump will win, although he is still neck and neck with Vice President Kamala Harris in several polls.

The dollar index , which measures the currency against six major rivals, rose 0.08% to 104.17, after softening the previous day. It hit its highest since July 30 at 104.63 on Tuesday.

"Data overnight reaffirmed the underlying strength of the U.S. economy, largely supporting what's already built into the price rather than providing a fresh catalyst for a renewed push higher," Westpac analysts wrote in a note.

U.S. private payroll growth surged in October, data showed on Wednesday, overcoming fears of temporary disruption from hurricanes and strikes.

Meanwhile, separate data showed the U.S. economy grew at an annualised rate of 2.8% in the third quarter, slightly lower than the 3% expected by economists.

The euro edged down 0.06% to \$1.0849 after rising as high as \$1.0871 on Wednesday. Regional inflation data and euro zone GDP came in stronger than expected on Wednesday, leading traders to trim back bets on an outsized rate cut from the European Central Bank in December.



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