

Investment Daily

21 November 2024



US stocks ended little changed as Treasury yields edged higher

US stocks ended a choppy session little changed on Wednesday as a major chipmaker would release results after market close, with investors also monitoring the geopolitical developments. The S&P 500 ended flat.

US Treasuries edged lower (yields rose) after a soft 20-year Treasury debt auction result. 10-year yields edged up 1bp to 4.41%.

European stock markets were pressured by ongoing geopolitical tensions on Wednesday. The Euro Stoxx index fell 0.5%. The German DAX index dropped 0.3%, with the French CAC index down 0.4%. In the UK, the FTSE-100 slipped 0.2%.

European government bonds were range-bound. 10-year German bund yields edged higher 1bp to 2.35%, with 10-year French yields rising 2bp to 3.10%. Meanwhile, in the UK 10-year gilt yields were up 3bp to 4.47%.

Asian stock markets lacked clear direction on Wednesday ahead of the earnings release from a major US chipmaker. Japan's Nikkei 225 slid 0.2%. Korea's Kospi added 0.4%, led by gains in financials. Chinese equities fared well, with China's Shanghai Composite and Hong Kong's Hang Seng rising 0.7% and 0.2% respectively. Elsewhere, India's stock market was shut due to the Maharashtra Assembly Election 2024.

Crude oil prices fell on Wednesday following unexpected increases in US weekly oil and gasoline stockpile, despite ongoing geopolitical concerns. WTI crude for December delivery settled 0.7% lower at USD68.9 a barrel.

US stocks ended little changed and Treasuries fell

European stocks fell; government bonds were range-bound

Asian stocks were mixed

Key Data Releases and Events

Releases yesterday

In the **UK**, headline **CPI** rose more than expected to 2.3% yoy in October, from 1.7% yoy in September, driven by higher energy costs. Service sector inflation, closely watched by the BoE, edged higher to 5% yoy in October compared to 4.9% yoy in September.

The **Bank Indonesia** held policy rate unchanged at 6.00%, extending its pause following September's 25bp cut. The central bank remains cautious due to recent rupiah weakness amid rising geopolitical risks and uncertainties around the US rate outlook.

Releases due today (21 November 2024)

Country	Indicator	Period	Survey	Prior
United States	Existing-Home Sales	Oct	3.95mn	3.84mn
Turkey	CBRT 1 Week Repo Lending Rate	Nov	50.00%	50.00%

In **Turkey**, elevated inflation points to the policy rate remaining at 50% at November's central bank meeting. A rate cut is unlikely before early 2025.

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