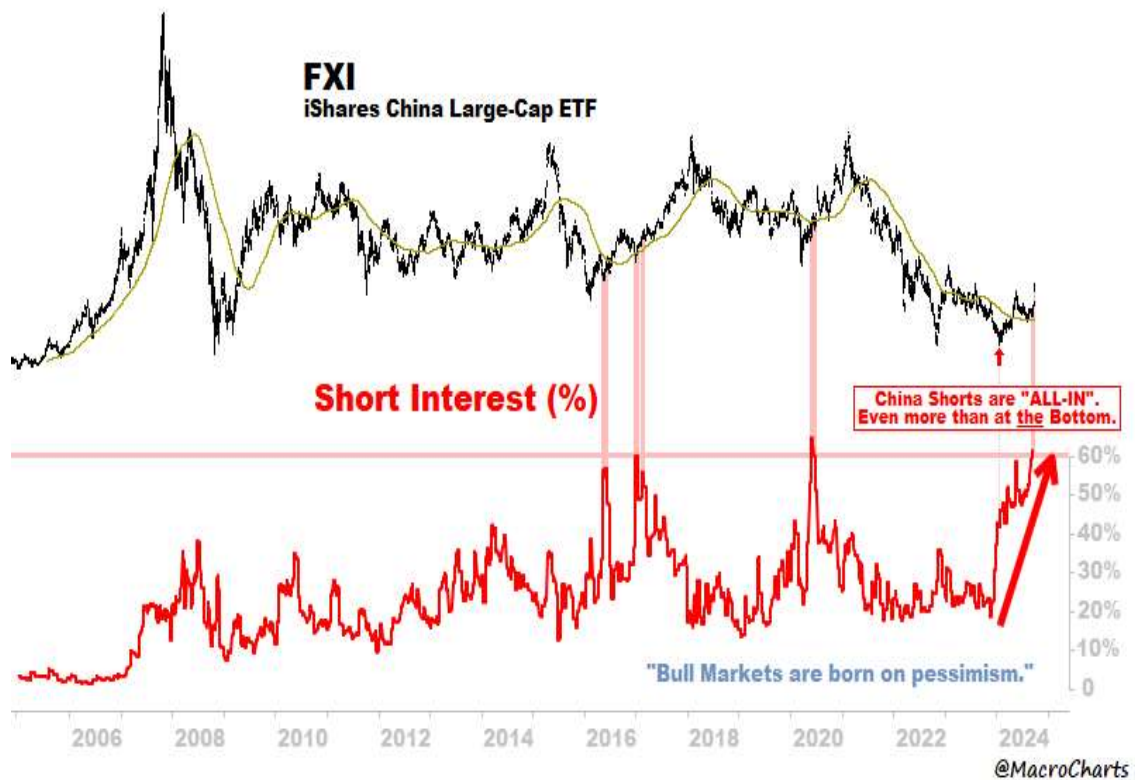
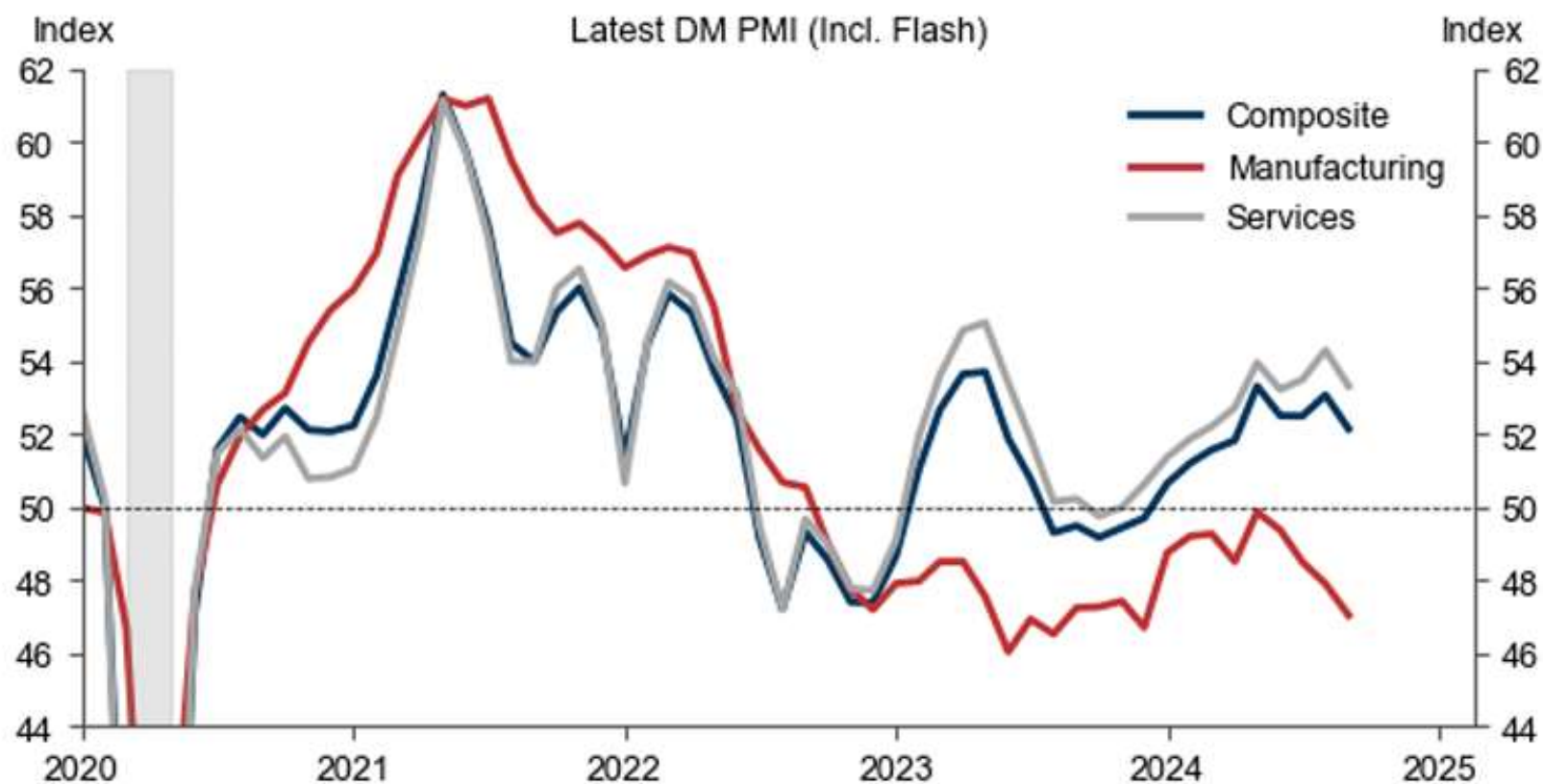


Pessimism on China stocks was near 15-yr low before the announcement of one of the largest stimulus since 2015. The market jumped 20% on huge volume over the last few days



The DM Composite flash PMI fell by -0.9pt in September to 52.9. Manufacturing component declined by -0.9pt to 47.0 and the services component declined by -1.0pt to 53.3



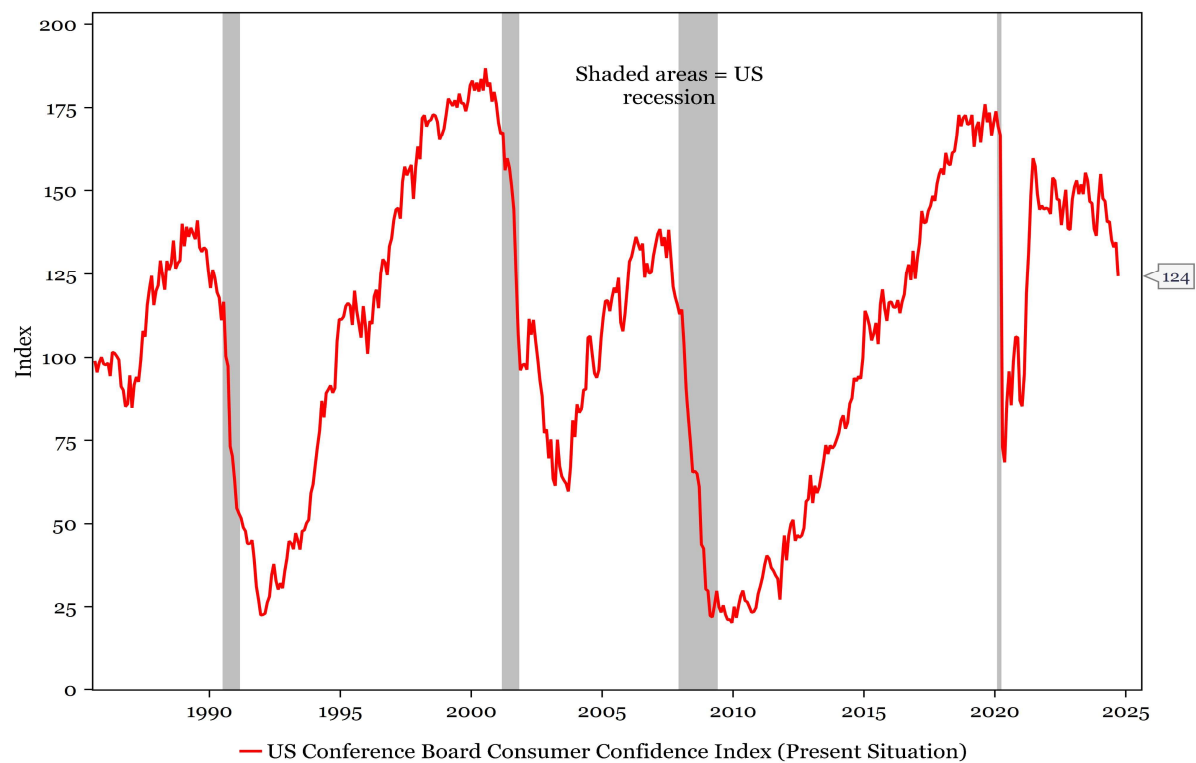
Note: Grey bars denote US recession.

DM is a GDP weighted sum of PMI indices for the US, the Euro area, the UK, Australia, and Japan.

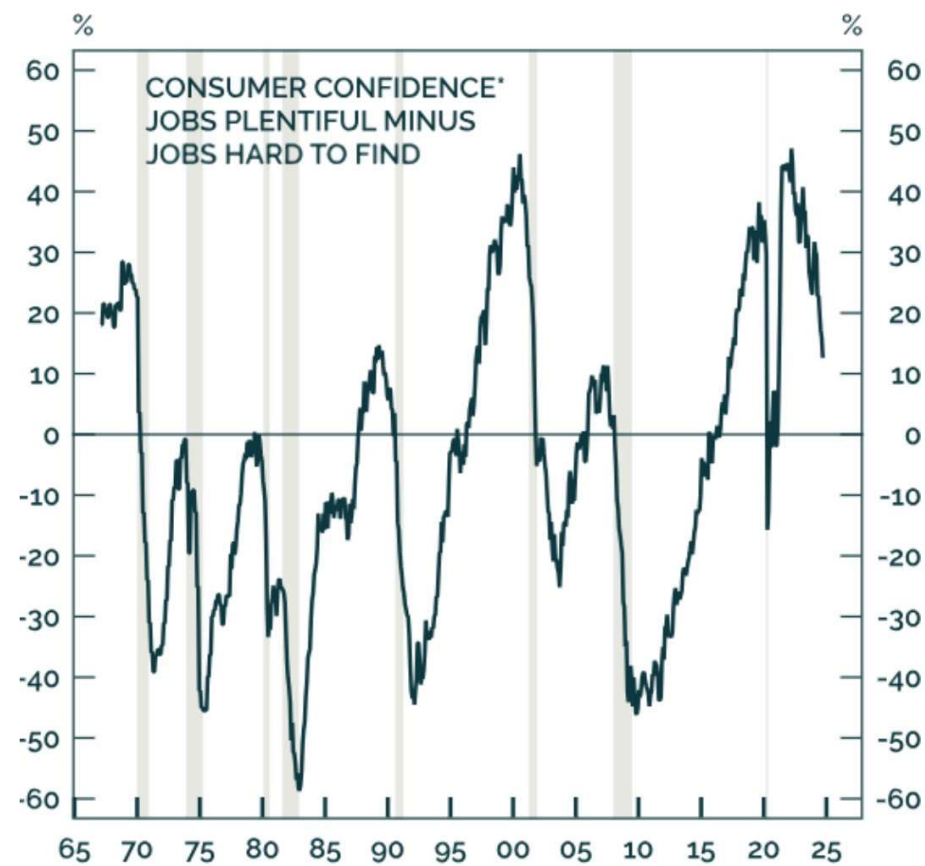
Source: S&P Global, Haver Analytics, Goldman Sachs Global Investment Research



Conference Board Consumer Confidence for September weakened as consumers worry about jobs



Source: Longview Economics, Macrobond



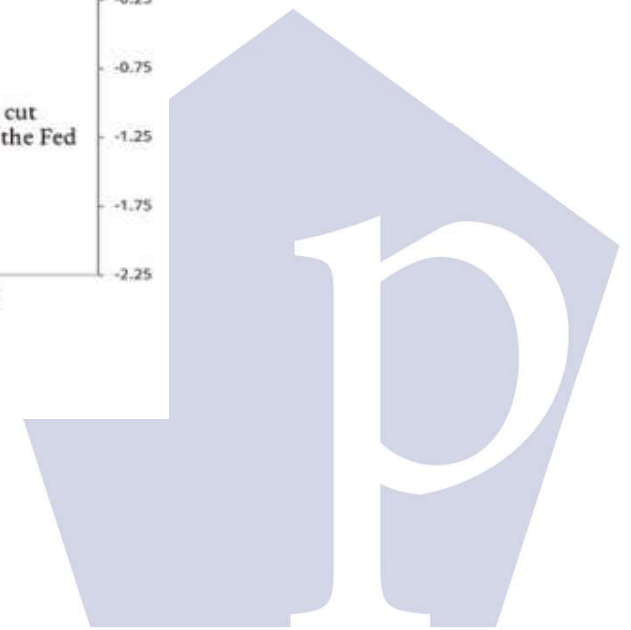
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The recent EUR/USD movement appears to be driven more by expectations of a more aggressive rate-cutting cycle from the Fed in the US than from the ECB in Europe

EUR/USD (lhs, red) and differential in terms of number of rate cuts priced Fed vs ECB (rhs, black)



Source: FactSet; Pictet Trading Strategy; as of 24/9/2024.



The 5-year yield on Greek government bonds has dropped below that of French bonds, reflecting market concerns about the new French government's capacity to reduce its public deficit

