Daily Market Brief

June 2nd 2025

BANQUE BEMO

FOREIGN EXCHANGE MARKETS *(Sources: Bloomberg / Reuters)*

EUR/USD
EUR/USD retraces its recent losses registered in the previous session, trading around 1.1370 during the Asian hours on Monday. The USD weakens as legal and political turmoil surrounds President Trump's tariff policies, with a court ruling parts of his actions unlawful, while a separate appeals court allows tariffs to proceed. Trump's plan to double tariffs on steel and aluminum escalates trade tensions, prompting retaliation threats from the European Commission, further pressuring the USD.

GBP/USD
The GBP/USD pair regains positive traction at the start of a new week amid renewed US Dollar (USD) selling, though it remains below the 1.3500 psychological mark during the Asian session. Easing U.S. inflation and fiscal concerns are pressuring the USD, while expectations of a Bank of England rate pause are supporting the GBP, though risk aversion may limit further GBP/USD gains.

USD/JPY
The Japanese Yen (JPY) remains on the front foot for the third straight day against a broadly weaker US Dollar (USD) and drags the USD/JPY pair back below mid-143.00s during the Asian session on Monday. The strong Tokyo Consumer Price Index (CPI) released on Friday reaffirmed market bets that the Bank of Japan (BoJ) will continue raising interest rates.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.1374	1.1382	1.1341	0.24	-0.11	9.85
GBP-USD	1.3498	1.3506	1.3452	0.29	-0.49	7.85
USD-JPY	143.45	144.17	143.33	-0.40	-0.42	9.59
USD-CHF	0.8214	0.8242	0.8210	-0.12	-0.04	10.47

Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	3318.30	3319.87	3295.84	0.88	-0.76	26.44
Silver	33.12	33.14	32.96	0.42	-1.10	14.60
Crude Oil	62.48	62.70	61.06	2.78	1.54	-10.54
Bitcoin	104799.04	105896.59	104632.39	-0.20	-2.36	11.83
Etherium	2488.96	2548.57	2486.86	-1.49	-5.55	-25.62

Period	1M	3M	6M	12M
SOFR ($)	4.32	4.32	4.27	4.07
ESTR (€)	1.72	1.92	1.83	1.72
SONIA (£)	4.22	4.20	4.14	4.00
SARON (₣)	0.06	-0.07	-0.16	-0.26
TONAR (¥)	0.47	0.47	0.40	0.28

	Rates
U.S. Federal Fund Target Rate	4.50
ECB Main Refinancing Operation Announcement Rate	2.4
ECB Deposit Facility Announcement Rate	2.25
ECB Marginal Lending Facility Announcement Rate	2.65
BOE Official Bank Rate	4.25

INTERNATIONAL EQUITY MARKETS *(Sources: Bloomberg / Reuters)*

UNITED STATES OF AMERICA
The markets were little changed on Friday to close out a big winning month, as investors shook off trade war fears after President Donald Trump said China violated its preliminary trade agreement. Friday's trading session marked the end of a strong May trading month, with a chunk of the rally following a trade deal announcement between the U.S. and UK. Investors hoped that could pave the way for more agreements with other countries facing duties.

EUROPE
European stock markets closed narrowly in the green on Friday, with sectors spread between losses and gains. For global investors, it's been yet another week dominated by U.S. President Donald Trump and tariffs; Trimp accused China og violating its preliminary trade agreement with the U.S., reigniting trade war fears.

ASIA
Asia-Pacific markets were mostly lower after President Donald Trump told U.S. steelworkers late Friday that he will double tariffs on steel imports to 50%, effective from Wednesday.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	42270.07	0.13	2.31	-0.64	42110.00	-0.44
S&P	5911.69	-0.01	3.96	0.51	5883.75	-0.67
Nasdaq	19113.77	-0.32	6.32	-1.02	21224.50	-0.86
DJ EuroStoxx50	5366.59	-0.08	1.54	9.61	5352.00	-0.52
FTSE 100	8772.38	0.64	2.05	7.33	8786.50	0.54
CAC 40	7751.89	-0.36	-0.24	5.03	7746.00	-0.33
DAX	23997.48	0.27	3.95	20.53	23995.00	-0.05
IBEX 35	14152.20	0.25	5.25	22.05	14151.80	0.05
FTSE MIB	40087.40	0.26	4.59	17.26	40136.00	0.26
Nikkei	37965.10	-1.29	1.75	-6.07	37480.00	-2.42
Hang Seng	23289.77	-1.90	1.52	13.90	23424.00	0.00
DFM General	5480.51	-0.22	3.57	6.24	N/A	N/A
MSCI Tadawoul	10825.27	-1.50	-6.22	-10.06	N/A	N/A

Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	83.55	84.00	83.00	-1.07	2.14	-30.38
Solidere B	82.75	83.00	82.50	0.91	2.16	-30.75

MUST READ *(Source: Bloomberg/ Forexlive)*

What To Expect in the Markets This Week
This week's financial focus includes the May U.S. jobs report, set for release Friday, which will offer insights into labor market strength as the Federal Reserve faces pressure to cut interest rates. April saw stronger-than-expected job growth, maintaining unemployment at 4.2%. Throughout the week, updates on job openings, private-sector payrolls, and weekly jobless claims will add to the employment picture. Federal Reserve Chair Jerome Powell, along with several regional Fed presidents, is scheduled to speak, while the Fed's Beige Book on Wednesday will provide a broader snapshot of the economy. Market watchers will also review key data including factory orders, construction spending, the trade deficit, and consumer credit. On the corporate front, major earnings reports are expected from tech firms like Broadcom and CrowdStrike, with the former likely to highlight AI-related revenue growth. Other companies reporting include Hewlett Packard Enterprise, Dollar Tree, Five Below, Lululemon, and Campbell's. Retailers' reports will be closely watched amid rising consumer anxiety. Also notable are releases from NIO and Guidewire Software, the latter expected to discuss AI developments. Geopolitical tensions and tariff concerns, particularly related to China, remain a backdrop as traders look for clues on economic resilience and Fed policy direction.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
CROWDSTRIKE HO	CRWD	$ 117.40 B	03-Jun-25	Aft-mkt	0.66	0.93
HEWLETT PACKAR	HPE	$ 22.70 B	03-Jun-25	Aft-mkt	0.33	0.42
DOLLAR GENERAL	DG	$ 21.39 B	03-Jun-25	Bef-mkt	1.47	1.65
DOLLAR TREE INC	DLTR	$ 18.97 B	04-Jun-25	Bef-mkt	1.23	1.43
BROADCOM INC	AVGO	$ 1138.20 B	05-Jun-25	Aft-mkt	1.57	1.10

ECONOMIC CALENDAR

(02-06-25) JP - Capital Spending YoY
(02-06-25) UK - Nationwide House Price YoY/MoM
(02-06-25) SZ - GDP YoY/QoQ
(02-06-25) EC - HCOB Eurozone Manufacturing PMI
(02-06-25) UK - S&P Global UK Manufacturinf PMI
(02-06-25) US - S&P Global US Manufacturinf PMI
(03-06-25) EC - CPI Estimate YoY / CPI MoM

CONTACT

Banque BEMO sal
Asset Management Unit

Ashrafieh, Elias Sarkis Ave., BEMO Bldg, 4th Floor
P.O.Box 16-6353 Beirut, Lebanon
Tel: +961 1 325405/6/7/9