Daily Market Brief

March 3rd 2025

FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

EUR/USD

EUR/USD gains as the latest US PCE inflation data aligns with expectations, easing concerns over unexpected US inflation spikes. A slight increase in US Treasury yields could help limit the downside of the US dollar. Traders look to the Eurozone HICP inflation data for further direction ahead of Thursday's ECB policy decision.

GBP/USD

The GBP/USD pair finds support during the Asian session as the US Dollar weakens, with the British Pound benefiting from expectations of less aggressive policy easing by the Bank of England. However, concerns over US tariffs, geopolitical risks, and stalled US disinflation limit significant gains for the GBP/USD pair, while traders await key US economic data, including the Nonfarm Payrolls, to influence future USD demand.

USD/JPY

The Japanese Yen (JPY) holds modest gains as expectations of further interest rate hikes by the Bank of Japan (BoJ) support higher Japanese government bond yields, keeping the USD/JPY pair below the mid-150.00s. However, uncertainty surrounding US tariffs and potential rate cuts by the Federal Reserve limits the upside for the USD/JPY pair.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.0407	1.0423	1.0371	0.31	-0.58	0.51
GBP-USD	1.2600	1.2614	1.2570	0.18	-0.20	0.67
USD-JPY	150.41	151.02	150.25	-0.15	-0.46	4.51
USD-CHF	0.9023	0.9031	0.9015	-0.09	-0.58	0.57
Commodities	**Last**	**High**	**Low**	**% Daily**	**% Weekly**	**% YTD**
Gold	2865.28	2877.05	2856.39	0.26	-2.93	9.17
Silver	31.26	31.40	31.13	0.34	-3.38	8.14
Crude Oil	69.81	70.60	69.81	0.07	-1.26	-1.48
Bitcoin	91237.32	94856.67	91181.45	-3.25	8.01	-2.64
Etherium	2354.70	2552.38	2353.36	-6.78	0.60	-29.64

Period	1M	3M	6M	12M
SOFR ($)	4.32	4.32	4.26	4.13
ESTR (€)	2.05	2.36	2.21	2.05
SONIA (£)	4.46	4.42	4.32	4.19
SARON (F)	0.32	0.22	0.16	0.10
TONAR (¥)	0.47	0.32	0.27	0.18

	Rates
U.S. Federal Fund Target Rate	4.50
ECB Main Refinancing Operation Announcement Rate	2.9
ECB Deposit Facility Announcement Rate	2.75
ECB Marginal Lending Facility Announcement Rate	3.15
BOE Official Bank Rate	4.50

INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

Stocks managed to rise Friday to wrap up a volatile week and a losing month for the major averages. Friday's trading session saw a brief pullback after President Trump and Ukraine President Zelenskyy clashed in the Oval Office, which raised concerns about heightened geopolitical risks. On Friday, the Atlanta Fed's GDP Now measure, which tracks economic data in real time and adjusts continuously, adjusted to forecast first-quarter output falling 1.5%.

EUROPE

European markets closed mixed on Friday, but notched a tenth straight week of gains despite uncertainty from U.S. President Donald Trump's tariff threats. Following talks with U.K. Prime Minister Keir Starmer in Washington on Thursday, Trump hinted that Britain may manage to avoid his tariffs regime.

ASIA

Asia-Pacific markets mostly rose Monday as investors awaited clarity on U.S. President Donald Trump's plans to impose impose tariffs this week on key trading partners.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	43840.91	1.39	-1.31	3.05	43930.00	1.46
S&P	5954.50	1.59	-0.67	1.24	5975.75	1.70
Nasdaq	18847.28	1.63	-2.81	-2.40	20983.50	1.84
DJ EuroStoxx50	5463.54	-0.16	4.71	11.59	5493.00	0.42
FTSE 100	8809.74	0.61	2.64	7.79	8847.00	1.21
CAC 40	8111.63	0.11	3.27	9.90	8144.00	0.36
DAX	22551.43	0.00	5.24	13.27	22725.00	0.76
IBEX 35	13347.30	0.58	9.35	15.11	13344.30	0.53
FTSE MIB	38655.09	0.08	6.73	13.07	38719.00	0.08
Nikkei	37785.47	1.70	-1.91	-5.29	37860.00	-1.15
Hang Seng	22941.32	-0.06	13.41	14.30	22913.00	-3.22
DFM General	5317.63	0.25	2.85	3.34	N/A	N/A
MSCI Tadawoul	12035.45	-0.63	-2.76	-0.01	N/A	N/A

Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	103.30	105.00	103.10	-1.24	-6.09	-13.92
Solidere B	104.10	104.10	104.10	0.00	-1.14	-12.89

MUST READ

(Source: Bloomberg/ Forexlive)

Trump names cryptocurrencies in strategic reserve

On Sunday, former U.S. President Donald Trump announced the creation of a new strategic reserve of cryptocurrencies, set to include Bitcoin, Ether, XRP, Solana, and Cardano. This announcement followed Trump's January executive order on digital assets, which aims to create a stockpile of these currencies. Bitcoin saw an 11% increase in value, while Ether rose by 13%, leading to a surge in the overall cryptocurrency market, which gained over $300 billion. Trump's move signals active participation by the U.S. government in the crypto economy, potentially accelerating institutional adoption and providing regulatory clarity. Industry experts, however, noted that including cryptocurrencies like Solana and Cardano—more aligned with tech investments rather than traditional store-of-value assets like Bitcoin—could reflect a shift toward a broader crypto-tech stance. Trump's announcement also aligns with his election campaign, where he has supported crypto policies. Under his administration, the SEC has softened its stance on crypto companies. However, analysts suggest the market needs further catalysts, such as interest rate cuts or clearer regulatory frameworks, to drive sustained growth. Some also question whether a Congressional act is needed to establish the reserve, which could potentially be funded through seized assets or the U.S. Treasury's Exchange Stabilization Fund.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
Okta Inc	OKTA US	$ 15.51B	03-Mar-25	Aft-mkt	0.74	0.63
On Holding AG	ONON US	$ 15.67B	04-Mar-25	Pre-mkt	0.18	-0.05
Target	TGT US	$ 56.93B	04-Mar-25	Pre-mkt	2.26	2.98
Best Buy Co Inc	BBY US	$ 19.22B	04-Mar-25	Pre-mkt	2.40	2.72
Crowdstrike Hold	CRWD US	$ 95.98B	04-Mar-25	Aft-mkt	0.86	0.95

ECONOMIC CALENDAR

(03-03-25) EC - CPI MoM / CPI Core YoY
(03-03-25) US - S&P Global US Manufacturing PMI
(03-03-25) US - ISM Manufacturing
(04-03-25) EC - Unemployment Rate
(05-03-25) UK - S&P Global UK Services PMI
(05-03-25) US - ADP Employment Change
(05-03-25) US - S&P Global US Services / Composite PMI

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