Daily Market Brief

February 4th 2026

FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

EUR/USD

The EUR/USD pair trades on a firmer note near 1.1830 during the early European session on Wednesday. Nonetheless, the upside for the major pair might be limited as traders remain cautious after a partial government shutdown swiftly ended. Later on Wednesday, the preliminary reading of the Harmonized Index of Consumer Prices (HICP) from the Eurozone will be closely watched. The BBC reported that US President Donald Trump signed a bill to end a partial government shutdown that began on Saturday. The deal passed the US House of Representatives in a 217-214 vote earlier on Tuesday. This headline, along with Kevin Warsh's nomination by Trump as the next Federal Reserve (Fed) chief, could provide some support to the US Dollar (USD) as it eases some of the concerns over the US fiscal situation and the Fed's independence.

GBP/USD

GBP/USD steadies after registering modest gains in the previous session, trading around 1.3700 during the Asian hours on Wednesday. The technical analysis of the daily chart points to a potential bearish reversal as the range narrows, indicating waning buyer momentum within a rising wedge pattern. The nine-day Exponential Moving Average (EMA) at 1.3678 rises above the 50-day EMA at 1.3493, with price holding above both. Both averages slope higher, reinforcing trend strength. The momentum indicator 14-day Relative Strength Index (RSI) at 61.75 stays above the 50 mid-line without overbought readings, confirming bullish momentum.

USD/JPY

The Japanese Yen (JPY) extends the descending trend against its American counterpart for the fourth straight day on Wednesday and drops to a nearly two-week low during the Asian session. Investors remain concerned about Japan's fiscal health under Prime Minister Sanae Takaichi's expansionary spending policy. Apart from this, domestic political uncertainty ahead of the snap election on February 8 turns out to be another factor undermining the JPY, pushing the USD/JPY pair further beyond the 156.00 mark.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.1833	1.1836	1.1809	0.12	-1.01	0.74
GBP-USD	1.3719	1.3722	1.3691	0.16	-0.64	1.81
USD-JPY	156.26	156.39	155.70	0.33	-1.82	0.29
USD-CHF	0.7750	0.7766	0.7746	-0.04	-0.88	2.27
Commodities	**Last**	**High**	**Low**	**% Daily**	**% Weekly**	**% YTD**
Gold	5059.77	5090.34	4911.16	2.28	-6.60	17.14
Silver	87.31	88.30	83.30	2.52	-25.19	21.83
Crude Oil	63.72	64.17	63.47	0.81	0.81	11.36
Bitcoin	76358.77	76867.40	75323.85	0.29	-9.27	-12.88
Etherium	2264.41	2293.35	2210.75	-0.79	-16.18	-23.95

Period	1M	3M	6M	12M
SOFR ($)	3.67	3.66	3.61	3.48
ESTR (€)	1.93	1.93	1.93	1.93
SONIA (£)	3.73	3.71	3.63	3.54
SARON (₣)	-0.06	-0.07	-0.07	-0.09
TONAR (¥)	0.72	0.59	0.53	0.50

	Rates
U.S. Federal Fund Target Rate	3.75
ECB Main Refinancing Operation Announcement Rate	2.15
ECB Deposit Facility Announcement Rate	2.00
ECB Marginal Lending Facility Announcement Rate	2.40
BOE Official Bank Rate	3.75

INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

The S&P 500 pulled back as investors dumped technology stocks and moved into shares more broadly linked to improvements in the economy. Most tech shares were in the red, including most of the “Magnificent Seven” names that have reported earnings so far — Microsoft and Meta Platforms were both down more than 2%, while Apple was marginally lower.

EUROPE

European stocks ended flat Tuesday as global markets settled following a short-lived sell-off in cryptocurrencies and precious metals. The pan-European Stoxx 600 closed flat, with most sectors and all major regional bourses in positive territory. Mining stocks led the gains, with the Stoxx Basic Resources index finishing almost 4% higher as precious metals rebounded from a historic selloff.

ASIA

Asia-Pacific markets mostly fell Wednesday, tracking Wall Street losses after a sell-off in U.S. technology stocks weighed on sentiment, while gold extended gains for a second day. Japan’s Nikkei 225 lost 1.2%, dragged by tech stocks. Japanese semiconductor equipment powerhouse Tokyo Electron also declined 3.2%.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	49240.99	-0.34	1.77	2.45	49468.00	0.14
S&P	6917.81	-0.84	0.87	1.06	6956.00	-0.76
Nasdaq	23255.19	-1.43	0.08	0.06	25473.75	-1.56
DJ EuroStoxx50	5995.35	-0.20	2.48	3.52	6004.00	-0.37
FTSE 100	10314.59	-0.26	3.65	3.86	10301.50	-0.20
CAC 40	8179.50	-0.02	-0.19	0.37	8213.50	-0.03
DAX	24780.79	-0.07	0.98	1.19	24885.00	-0.05
IBEX 35	18119.20	0.02	3.58	4.69	18115.60	-0.04
FTSE MIB	46420.52	0.90	2.31	3.28	46550.00	0.90
Nikkei	54720.66	-0.61	8.04	8.04	54520.00	3.40
Hang Seng	26834.77	0.24	2.12	4.95	26963.00	0.54
DFM General	6613.52	0.09	8.26	9.46		
MSCI Tadawoul	11328.52	0.07	9.31	7.99		

Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	68.20	69.50	68.00	-1.59	-2.57	-18.81
Solidere B	70.20	73.00	65.05	7.92	0.29	-15.11
EuroBonds	27.75 / 28.75					

MUST READ

(Source: Bloomberg/ Forexlive)

US Shutdown Ends as Trump Signs His Funding Deal With Democrats

The partial US government shutdown ended after President Donald Trump signed a funding deal negotiated with Senate Democrats, ending a brief but contentious standoff centered on immigration enforcement. Trump hailed the agreement as a victory for the American people, emphasizing that it continues funding deportation flights, which have drawn strong opposition from Democrats. Under the deal, most federal agencies are funded through the end of the fiscal year on Sept. 30, but the Department of Homeland Security is funded only through Feb. 13, setting up the possibility of another shutdown if negotiations fail. The legislation faced opposition from both parties. Some House conservatives objected to spending increases, Democratic-backed projects, and the absence of election law changes, while many Democrats voted against the bill because it did not impose new restrictions on immigration agents. Trump personally pressured Republican holdouts to support the measure, and they ultimately backed down. The shutdown fight emerged after the death of a US citizen during a confrontation with Border Patrol officers in Minnesota, prompting Democrats to demand reforms. Their proposals include requiring body cameras, limiting the use of masks, obtaining warrants before entering homes, and ending large-scale immigration sweeps.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
ALPHABET INC-CL	GOOGL	$ 4105.05 B	4-Feb-26	Aft-mkt	2.85	2.62
NOVO-NORDISK A	NVO	$ 224.59 B	4-Feb-26	Bef-mkt	5.85	6.34
UBER TECHNOLOG	UBER	$ 161.93 B	4-Feb-26	Bef-mkt	0.76	0.56
BOSTON SCIENTIF	BSX	$ 135.82 B	4-Feb-26	Bef-mkt	0.78	0.70
ELI LILLY & CO	LLY	$ 948.65 B	4-Feb-26	Bef-mkt	6.76	5.32

ECONOMIC CALENDAR

(04-02-26) EC - HCOB Eurozone Services / Composite PMI
(04-02-26) EC - CPI MoM / Core YoY
(04-02-26) US - MBA Mortgage Applications
(04-02-26) US - ADP Employment Change
(04-02-26) US - ISM Services Index
(05-02-26) AU - Trade Balance
(05-02-26) UK - Bank of England Bank Rate

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