Daily Market Brief

April 4th 2025

BANQUE BEMO

FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

EUR/USD

EUR/USD surged as the US Dollar weakened, driven by the Trump administration's new tariffs, with a key US Nonfarm Payrolls report due on Friday. Investor sentiment took a hit from disappointing US economic data, and the tariffs, including a 10% tax on imports starting April 5, are expected to slow US growth and affect Federal Reserve policy.

GBP/USD

GBP/USD is defending minor bids above 1.3100 in early Europe on Friday. Persistent US Dollar weakness on recession fears and dovish Fed expectations underpin the pair as traders look forward to the US payrolls data and Fed Chair Powell speech for placing fresh bets.

USD/JPY

USD/JPY slips back under 146.00, fading its recovery in the Asian session on Friday. Risk aversion remains at full steam, reviving the haven demand for the Japanese Yen as investors ditch riskier assets amid a looming global trade war-led by US President Trump's aggressive tariff policies. US NFP and Powell eyed.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.1074	1.1108	1.1037	0.20	2.27	6.95
GBP-USD	#NAME?	1.3114	1.3081	-0.08	1.15	4.58
USD-JPY	145.96	146.41	145.30	-0.07	2.66	7.70
USD-CHF	0.8549	0.8600	0.8524	-0.50	3.03	6.14
Commodities	**Last**	**High**	**Low**	**% Daily**	**% Weekly**	**% YTD**
Gold	3107.10	3116.72	3087.26	-0.26	0.71	18.39
Silver	31.61	31.99	31.41	-0.78	-7.38	9.36
Crude Oil	66.40	66.90	66.06	-0.82	-4.27	-5.82
Bitcoin	83202.54	83381.70	82297.88	1.08	0.81	-11.22
Etherium	1805.32	1822.37	1771.92	0.41	-0.51	-46.05

Period	1M	3M	6M	12M
SOFR ($)	4.32	4.28	4.16	3.95
ESTR (€)	1.91	2.21	2.07	1.91
SONIA (£)	4.47	4.36	4.28	4.17
SARON (F)	0.19	0.16	0.11	0.06
TONAR (¥)	0.47	0.40	0.32	0.22

	Rates
U.S. Federal Fund Target Rate	4.50
ECB Main Refinancing Operation Announcement Rate	2.65
ECB Deposit Facility Announcement Rate	2.50
ECB Marginal Lending Facility Announcement Rate	2.90
BOE Official Bank Rate	4.50

INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

Stocks plummeted Thursday, sending the S&P 500 back into correction territory for its biggest one-day loss since 2020, after President Donald Trump unveiled sweeping tariffs, raising the risk of a global trade war that plunges the economy into a recession. JPMorgan economists said a recession was now likely if these new tariff rates are sustained and not negotiated lower.

EUROPE

European stock markets closed lower on Thursday, following U.S. President Donald Trump’s stronger-than-expected trade tariffs announcements.European Commission President Ursula von der Leyen responded to the tariffs announcements by saying the European Union is preparing further countermeasures against U.S. tariffs if negotiations fail.

ASIA

Japan stocks led declines in the region on Friday, tracking steep losses on Wall Street after U.S. President Donald Trump’s tariffs rattled global markets. Hong Kong and China markets are closed for the Qingming Festival.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	40545.93	-3.98	-4.64	-4.70	40674.00	-4.27
S&P	5396.52	-4.84	-6.60	-8.25	5423.25	-5.05
Nasdaq	16550.61	-5.97	-9.49	-14.29	18655.75	-5.58
DJ EuroStoxx50	5113.28	-3.59	-5.09	4.44	5032.00	-3.91
FTSE 100	8474.74	-1.55	-3.25	3.69	8457.00	-1.70
CAC 40	7598.98	-3.31	-5.58	2.96	7592.00	-3.63
DAX	21717.39	-3.01	-2.73	9.08	21850.00	-3.26
IBEX 35	13191.20	-1.19	1.22	13.77	13189.80	-0.95
FTSE MIB	37070.83	-3.60	-1.76	8.44	36335.00	-3.71
Nikkei	34735.93	-2.94	-9.68	-15.49	33760.00	-5.62
Hang Seng	22849.81	-1.52	-5.70	13.91	22772.00	-1.88
DFM General	5027.23	-1.66	-6.11	-2.55	N/A	N/A
MSCI Tadawoul	11882.65	-1.18	0.61	-1.28	N/A	N/A

Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	94.00	95.00	91.00	-0.58	-0.79	-21.67
Solidere B	95.00	95.00	95.00	-4.57	0.00	-20.50

MUST READ

(Source: Bloomberg/ Forexlive)

Intel and TSMC reach tentative deal on chip manufacturing

Intel (INTC) and TSMC (TSM) have reportedly reached a tentative agreement to form a joint venture with other US semiconductor firms to operate Intel's foundries. TSMC would take a 20% stake, with Intel and other investors controlling the majority. This deal, still not finalized, aims to boost Intel's struggling foundry business, which posted a $13.4 billion operating loss in 2024. TSMC will assist Intel with chip-building insights and staff training. The partnership is seen as a move to revive Intel’s foundry division, which has struggled to compete with TSMC, the world’s largest chipmaker. Intel’s foundry business has been unable to meet expectations, and despite securing deals with companies like Microsoft and Amazon, the division isn't expected to break even until 2027. The US government has encouraged this collaboration, as part of efforts to strengthen domestic chip production through initiatives like the CHIPS Act. Intel’s stock has dropped by 50% over the past year due to declining revenues. New Intel CEO, Lip-Bu Tan, emphasized the company’s commitment to both enhancing Intel products and advancing its foundry strategy to meet growing global chip demand.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
Levi Strauss & Co	LEVI US	$ 5.71B	07-Apr-25	Aft-mkt	0.28	0.26
RPM Internationa	RPM US	$ 14.47B	08-Apr-25	Pre-mkt	0.50	0.52
Delta Airlines Inc	DAL US	$ 25.01B	09-Apr-25	Pre-mkt	0.41	0.45
Constellation Brai	STZ US	$ 32.80B	09-Apr-25	Aft-mkt	2.29	2.26
Carmax Inc	KMX US	$ 11.76B	10-Apr-25	Pre-mkt	0.66	0.32

ECONOMIC CALENDAR

(04-04-25) US - Change in Nonfarm Payrolls
(04-04-25) CA - Net Change in Employment / Unemployment Rate
(04-04-25) US - Change In Manufacturing Payrolls
(04-04-25) US - Unemployment Rate
(08-04-25) JP - BoP Current Account Balance
(09-04-25) US - MBA Mortgage Applications
(09-04-25) US - Wholesale Inventories MoM

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