Daily Market Brief

December 4th 2025

FOREIGN EXCHANGE MARKETS (Sources: Bloomberg / Reuters)

EUR/USD

The EUR/USD pair edges lower during the Asian session on Thursday and erodes a part of the previous day's strong gains to its highest level since October 17. Spot prices currently trade around the 1.1660-1.1655 region, though the downside seems limited amid a supportive fundamental backdrop. The US Dollar (USD) is attempting a modest recovery from its lowest level since late October and is turning out to be a key factor acting as a headwind for the EUR/USD pair. The upside for the USD, however, seems limited on the back of dovish Federal Reserve (Fed) expectations.

GBP/USD

The GBP/USD pair loses ground to around 1.3330 during the Asian trading hours on Thursday. The major pair retreats from nearly a two-month high amid renewed US Dollar (USD) demand. However, the rising bets of a Federal Reserve (Fed) rate cut next week might cap its downside. Traders will take more cues from the US weekly Initial Jobless Claims report later on Thursday. Weaker US economic data this week, including Manufacturing PMI and ADP Employment Change, have cemented the case for a rate reduction from the US central bank at the December meeting.

USD/JPY

The Japanese Yen (JPY) oscillates in a narrow range during the Asian session on Thursday against the rebounding US Dollar (USD), though the near-term bias seems tilted in favor of bullish traders. A generally positive tone around the equity markets is seen acting as a headwind for the safe-haven JPY. The downside, however, remains cushioned amid rising bets for an imminent rate hike by the Bank of Japan (BoJ).

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.1658	1.1675	1.1653	-0.11	0.53	12.59
GBP-USD	1.3337	1.3353	1.3328	-0.12	0.73	6.56
USD-JPY	155.33	155.54	155.02	0.05	0.63	1.20
USD-CHF	0.8010	0.8015	0.7994	0.17	0.47	13.28
Commodities	**Last**	**High**	**Low**	**% Daily**	**% Weekly**	**% YTD**
Gold	4189.99	4216.85	4175.17	-0.31	0.78	59.65
Silver	57.46	58.75	57.09	-1.79	7.60	98.80
Crude Oil	59.39	59.45	58.97	0.75	1.26	-12.51
Bitcoin	93144.23	94155.95	92708.73	-0.62	2.32	-0.61
Etherium	3202.02	3240.21	3146.24	1.16	6.91	-4.32

Period	1M	3M	6M	12M
SOFR ($)	3.83	3.77	3.70	3.53
ESTR (€)	1.91	1.93	1.93	1.91
SONIA (£)	3.87	3.78	3.70	3.59
SARON (₣)	-0.05	-0.05	-0.07	-0.09
TONAR (¥)	0.47	0.47	0.47	0.44

	Rates
U.S. Federal Fund Target Rate	4.00
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	4.00

INTERNATIONAL EQUITY MARKETS (Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

Stocks closed higher on Wednesday as the latest jobs data from ADP strengthened investors’ conviction that the Federal Reserve will cut interest rates next week. Markets are pricing in an 89% chance of a cut next Wednesday, which is much higher than the odds from mid-November. Investors anticipate that a lower rate environment will spur loan growth and give a jolt to the U.S. economy.

EUROPE

European stocks finished positive on Wednesday as global markets move higher.
The pan-European Stoxx 600 closed the session almost 0.1% higher, with major sectors and bourses finishing the day mixed. The advance comes after major U.S. indexes recovered in Tuesday’s trading session and Asia-Pacific markets rose broadly overnight — that follows some losses at the start of the week.

ASIA

Asia-Pacific markets mostly rose Thursday, after Wall Street gained on hopes the Federal Reserve could cut interest rates next week following weaker-than-expected jobs data.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	47882.90	0.86	1.69	12.55	48026.00	0.16
S&P	6849.72	0.30	1.15	16.46	6866.50	0.39
Nasdaq	23454.09	0.17	0.45	21.46	25661.00	0.22
DJ EuroStoxx50	5694.56	0.15	0.61	16.31	5733.00	0.67
FTSE 100	9692.07	-0.10	-0.24	18.59	9740.50	0.20
CAC 40	8087.42	0.16	0.25	9.57	8137.50	0.65
DAX	23693.71	-0.07	-1.07	19.01	23856.00	0.47
IBEX 35	16585.70	0.68	3.43	43.04	16597.80	0.81
FTSE MIB	43380.64	0.06	0.27	26.90	43412.00	0.04
Nikkei	51028.42	2.33	-0.91	27.91	51000.00	3.51
Hang Seng	25760.73	0.43	-0.31	28.97	25919.00	-0.63
DFM General	5906.64	0.20	-1.57	14.73		
MSCI Tadawoul	10574.79	0.37	-7.22	-12.14		
Leb. Mrkts	**Closing Px**	**High**	**Low**	**% Daily**	**% Weekly**	**YTD**
Solidere A	76.00	76.00	76.00	-0.72	-3.25	-36.67
Solidere B	75.55	75.55	75.55	0.00	-0.59	-36.78
EuroBonds	22.00 / 22.50					

MUST READ (Source: Bloomberg/ Forexlive)

Japan Leads Asia as Fed Cut Expectations Boost Markets

Japanese markets outperformed Asia on Thursday as expectations for a US Federal Reserve rate cut increased following data showing the sharpest US payroll decline since early 2023. The Topix and Nikkei 225 gained more than 1.7%, far ahead of the broader MSCI Asia Pacific Index. Rising conviction in a December Fed cut — with traders pricing in more than a 90% chance of a 25-basis-point reduction — helped lift sentiment. Economists noted that Japan is especially sensitive to Fed policy, as a weaker yen would give the Bank of Japan greater flexibility to keep policy accommodative. Japan’s 30-year government bond auction drew its strongest demand since 2019, easing concerns after recent yield spikes driven by fiscal worries and speculation about a potential BOJ rate hike on Dec. 19. Strong interest in both 10- and 30-year JGBs suggested renewed participation from long-term buyers. In contrast, Australian yields rose to yearly highs as expectations shifted toward further tightening. Currency markets were mixed: the dollar steadied, the Indian rupee hit a record low, and China set a weaker yuan fixing. Equity gains were supported by cyclical sectors, while commodities were mixed — silver stayed near record highs, gold slipped, and oil inched higher. Investors awaited upcoming US inflation data to refine expectations for Fed policy.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
KROGER CO	KR	$ 43.87 B	4-Dec-25	Aft-mkt	1.05	0.98
DOLLAR GENERAL	DG	$ 24.19 B	4-Dec-25	Bef-mkt	0.93	0.89
HEWLETT PACKAF	HPE	$ 29.37 B	4-Dec-25	Aft-mkt	0.58	0.58
DONALDSON CO I	DCI	$ 10.15 B	4-Dec-25	Bef-mkt	0.93	0.83
DOCUSIGN INC	DOCU	$ 14.20 B	4-Dec-25	Aft-mkt	0.91	0.90

ECONOMIC CALENDAR

(04-12-25) AU - Trade Balance
(04-12-25) US - Initial Jobless Claims
(05-12-25) EC - GDP SA QoQ/YoY
(05-12-25) SZ - Foreign Currency Reserves
(05-12-25) CA - Unemployment Rate
(05-12-25) US - Pesronal Income/Spending
(05-12-25) US - University Of Mich. Sentiment

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