Daily Market Brief

May 6th 2025

BANQUE BEMO

FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

EUR/USD

The EUR/USD pair reverses an Asian session tip to the 1.1280-1.1275 region on Tuesday and climbs a fresh daily high in the last hour, though it lacks strong follow-through buying. Spot prices remain confined in a multi-day-old trading range, close to the three-week low touched last Thursday, as traders opt to wait on the sidelines ahead of the crucial FOMC decision on Wednesday.

GBP/USD

GBP/USD snapped a near-term losing streak, pumping the breaks and holding steady near the 1.3300 handle to kick off a fresh trading week. Cable remains down from recent multi-year highs, but price action has pushed into a holding pattern ahead of key showings from both the Federal Reserve (Fed) and the Bank of England (BoE).

USD/JPY

The Japanese Yen (JPY) edged lower against its American counterpart during the Asian session on Tuesday, though it lacks any follow-through selling. Despite the Bank of Japan's (BoJ) dovish guidance last Thursday, the broadening inflation in Japan and prospects of sustained wage hikes keep the door open for further tightening by the central bank.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.1323	1.1328	1.1280	0.07	-0.56	9.36
GBP-USD	1.3302	1.3306	1.3260	0.05	-0.80	6.28
USD-JPY	143.75	144.28	143.56	0.03	-0.99	9.36
USD-CHF	0.8229	0.8254	0.8217	0.09	0.12	10.27

Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	3360.90	3387.10	3323.59	0.80	1.31	28.06
Silver	33.08	33.12	32.44	1.83	0.44	14.46
Crude Oil	58.05	58.14	57.03	1.61	-3.92	-17.27
Bitcoin	94522.03	95197.11	94029.68	0.30	-2.01	0.86
Etherium	1805.99	1833.30	1792.94	-0.17	-1.86	-46.03

Period	1M	3M	6M	12M
SOFR ($)	4.33	4.26	4.08	3.76
ESTR (€)	1.73	2.01	1.87	1.73
SONIA (£)	4.25	4.16	3.99	3.77
SARON (₣)	0.15	0.00	-0.09	-0.18
TONAR (¥)	0.47	0.47	0.35	0.25

	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	4.50

INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

Markets declined modestly on Monday, breaking a recent streak of gains, as investors weighed mixed economic signals and ongoing trade developments. A stronger-than-expected services report signaled resilience in the economy, but concerns about tariffs and global trade tensions added pressure. Major indexes trimmed deeper losses by the end of the session, reflecting cautious sentiment rather than panic.

EUROPE

European markets are set to open in negative territory Tuesday as regional investors look ahead to earnings reports from some of Europe's largest companies this week. European bourses had a mixed start to the week on Monday, with U.K. markets closed for a public holiday.

ASIA

Asia-Pacific markets mostly rose Tuesday as investors assessed trade developments between the U.S. and countries in the region, with focus also on Asian currencies that have been strengthening on the back of a declining dollar.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	41218.83	-0.24	7.58	-3.12	41243.00	-0.09
S&P	5650.38	-0.64	11.36	-3.93	5653.50	-0.88
Nasdaq	17844.24	-0.74	14.48	-7.59	19943.25	-1.12
DJ EuroStoxx50	5283.05	-0.04	8.30	7.91	5243.00	0.17
FTSE 100	8596.35	1.17	6.72	5.18	8613.00	0.26
CAC 40	7727.93	-0.55	6.23	4.70	7695.00	-0.16
DAX	23344.54	1.12	13.09	17.26	23424.00	1.02
IBEX 35	13518.00	0.53	8.82	16.58	13519.60	0.68
FTSE MIB	38475.55	0.39	11.04	12.55	37923.00	0.38
Nikkei	36830.69	1.04	18.29	-7.68	37120.00	0.84
Hang Seng	22504.68	0.69	-0.84	12.96	22612.00	0.71
DFM General	5344.68	1.01	7.94	3.61	N/A	N/A
MSCI Tadawoul	11422.95	0.10	3.12	-5.10	N/A	N/A

Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	83.05	84.00	83.00	-2.69	-7.21	-30.79
Solidere B	87.00	87.00	87.00	0.00	2.65	-27.20

MUST READ

(Source: Bloomberg/ Forexlive)

India Offers Zero-for-Zero Tariffs on Auto Parts, Steel From US

India has proposed a reciprocal zero-tariff arrangement with the US on select industrial goods (steel, auto components, and pharmaceuticals) up to a specified import volume. Beyond this threshold, standard tariffs would apply. The proposal, aimed at accelerating bilateral trade negotiations, was made by Indian officials during a recent visit to Washington. Both countries are working toward an early trade deal amid a pause on US President Trump's retaliatory tariffs. The Indian government, after consulting export organizations, believes eliminating tariffs in these sectors won't hurt domestic competitiveness due to the price competitiveness of Indian goods. In 2024–25, India exported $10.5 billion in pharmaceuticals and $19.1 billion in engineering goods to the US. Trade experts, like the chairman of the Engineering Exports Promotion Council, support the proposal as long as it's reciprocal. Meanwhile, the US has raised concerns over India's Quality Control Orders (QCOs), calling them non-tariff barriers. In response, India is open to revising QCOs in sectors like medical devices and chemicals and is willing to sign a mutual recognition agreement, allowing both nations to honor each other's regulatory standards. It remains uncertain whether these proposals will be part of the final trade deal.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
ADVANCED MICR	AMD	$ 163.42 B	06-May-25	Aft-mkt	0.94	0.69
SUPER MICRO CO	SMCI	$ 19.20 B	06-May-25	Aft-mkt	0.40	0.67
ELECTRONIC ARTS	EA	$ 40.33 B	06-May-25	Aft-mkt	1.07	0.52
NOVO-NORDISK A	NVO	$ 308.62 B	07-May-25	Pre-mkt	6.21	5.68
UBER TECHNOLO	UBER	$ 178.66 B	07-May-25	Pre-mkt	0.52	-0.32

ECONOMIC CALENDAR

(06-05-25) SZ - Unemployment Rate
(06-05-25) EC - HCOB Eurozone Services/Composite PMI
(06-05-25) UK - S&P Global UK Servises/Composite PMI
(07-05-25) US - FOMC Rate Decision
(08-05-25) UK - Bank of Englang Bank Rate
(08-05-25) US - Initial Jobless Claims
(07-05-25) US - Wholesale Inventories MoM

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