Daily Market Brief

April 8th 2025

BANQUE BEMO

FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

EUR/USD

EUR/USD continued to decline on Monday, reaching the 1.0900 level, while the US Dollar strengthened amid risk-off flows and weakening investor sentiment. Meanwhile, the US has imposed a blanket 10% import tariff, with escalating trade tensions, and markets are anticipating key US inflation data this week, alongside growing expectations of interest rate cuts by the Federal Reserve due to recession risks.

GBP/USD

GBP/USD fell on Monday, marking a second consecutive day of declines, with the pair dipping below the 200-day EMA near 1.2700 as the US Dollar regained control amidst risk-off sentiment. The US has implemented a 10% import tax on all goods and retaliatory tariffs on China, with further escalation threatening a 50% tariff on Chinese imports set for April 8.

USD/JPY

The Japanese Yen (JPY) retains a positive bias against a broadly weaker US Dollar (USD) through the Asian session on Tuesday, though it lacks follow-through buying. Despite growing concerns that harsher US reciprocal tariffs could negatively impact Japan's economy, investors seem convinced that the Bank of Japan (BoJ) will continue raising interest rates in 2025 amid signs of broadening domestic inflation.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.0975	1.0980	1.0905	0.58	1.69	6.00
GBP-USD	1.2785	1.2792	1.2721	0.48	-1.07	2.15
USD-JPY	147.77	148.12	147.25	-0.05	1.25	6.38
USD-CHF	0.8570	0.8615	0.8559	-0.27	3.12	5.88

Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	3002.23	3004.77	2978.64	0.64	-3.57	14.39
Silver	30.17	30.19	29.84	0.28	-10.47	4.37
Crude Oil	61.70	61.75	60.87	1.65	-13.34	-12.48
Bitcoin	80283.48	80832.87	78665.01	1.72	-2.47	-14.33
Etherium	1598.49	1618.13	1540.97	1.81	-11.10	-52.23

Period	1M	3M	6M	12M
SOFR ($)	4.32	4.26	4.13	3.86
ESTR (€)	1.85	2.16	2.01	1.85
SONIA (£)	4.46	4.32	4.19	4.00
SARON (F)	0.15	0.13	0.06	0.00
TONAR (¥)	0.47	0.42	0.32	0.23

	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

Stock futures rose on Monday evening after the S&P 500 extended its losses for a third day following President Donald Trump's tariff rollout. At one point in Monday's session, stocks saw a sharp rise into the green after speculation on social media of a tariff pause.

EUROPE

European markets were set to start Tuesday's trading day in positive territory after a four-day losing streak as red-hot tariff tensions rage on around the world. Global equity markets have been rocked by the frequent updates around U.S. President Donald Trump's tariffs regime in recent days as tensions between the U.S. and its trading partners do not appear to be easing.

ASIA

Asia-Pacific markets rose Tuesday, rebounding from previous session's losses over U.S. President Donald Trump's tariff policy and threats of even higher levies against China.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	37965.60	-0.91	-11.30	-10.76	38755.00	0.74
S&P	5062.25	-0.23	-12.27	-13.93	5156.25	1.08
Nasdaq	15603.26	0.10	-14.25	-19.20	17726.00	1.39
DJ EuroStoxx50	4656.41	-4.55	-14.85	-4.89	4673.00	-3.40
FTSE 100	7702.08	-4.38	-11.27	-5.76	7826.00	-3.35
CAC 40	6927.12	-4.78	-14.70	-6.15	6933.00	-4.79
DAX	19789.62	-4.13	-13.99	-0.60	20301.00	-2.86
IBEX 35	11785.80	-5.12	-11.10	1.65	11759.10	-5.16
FTSE MIB	32853.98	-5.18	-14.87	-3.90	32124.00	-5.20
Nikkei	31136.58	5.00	-11.37	-18.05	32890.00	-3.05
Hang Seng	19828.30	1.58	-16.88	0.40	19845.00	-11.76
DFM General	4799.01	-3.08	-8.11	-6.97	N/A	N/A
MSCI Tadawoul	11194.02	1.05	-5.22	-7.00	N/A	N/A

Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	87.00	88.00	86.00	-2.79	-7.99	-27.50
Solidere B	94.75	94.75	94.75	14.09	-5.06	-20.71

MUST READ

(Source: Bloomberg/ Forexlive)

The 7-Minute $2.5 Trillion Stock Rally Confounds Wary Investors

On Monday, a brief rumor about President Trump pausing tariffs led to a surge in stock prices, but it quickly dissipated when investors realized the news was false. The market then became paralyzed, with benchmarks fluctuating throughout the day. The key issue is the binary outcome of Trump's trade war—if tariffs remain, the economy could contract, driving stocks into a bear market; if lifted, the economy could recover, and stocks could hit new highs. A delay in tariffs briefly added $2.5 trillion to the stock market. However, the mixed messages from the administration on trade negotiations have left investors uncertain. While some see opportunities in the chaos, the unpredictable nature of Trump's policies has made balancing portfolios difficult. Historically, buying the dip has worked, but now, traders must focus on Trump's shifting policies rather than the Federal Reserve. Some experts remain hopeful that if Trump signals progress on tariffs, markets could soar. Others warn that continued uncertainty could lead to a recession, impacting the Republican party's prospects in the 2026 midterms. Despite the volatility, there's a belief that long-term investors may still find opportunities, especially if tariffs are eventually reversed.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
RPM Internationa	RPM US	$ 13.72 B	08-Apr-25	Pre-mkt	0.50	0.52
Delta Airlines Inc	DAL US	$ 24.09 B	09-Apr-25	Pre-mkt	0.41	0.45
Constellation Bra	STZ US	$ 31.19 B	09-Apr-25	Aft-mkt	2.29	2.26
Carmax Inc	KMX US	$ 11.34 B	10-Apr-25	Pre-mkt	0.66	0.32
JPMorgan Chase &	JPM US	$ 596.79 B	11-Apr-25	Pre-mkt	4.61	4.63

ECONOMIC CALENDAR

(08-04-25) JP - BoP Current Account Balance
(09-04-25) US - MBA Mortgage Applications
(09-04-25) US - Wholesale Inventories MoM
(09-04-25) US - FOMC Meeting Minutes
(10-04-25) JP - PPI YoY / MoM
(10-04-25) DE - CPI YoY / MoM
(10-04-25) US - CPI YoY / MoM

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