Daily Market Brief

October 8th 2025

BANQUE BEMO

FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

EUR/USD

The EUR/USD pair attracts some sellers to around 1.1620 during the Asian trading hours on Wednesday. The Euro (EUR) weakens against the US Dollar (USD) amid fears of a political crisis in France. France is now likely to miss a deadline to present its 2026 budget bill, meaning lawmakers will need to pass emergency stopgap legislation to authorize spending from January 1 until a full budget is approved. Across the pond, the US government shutdown entered its eighth day as US senators failed to pass spending proposals to reopen the federal government. The FOMC Minutes will take center stage later on Wednesday.

GBP/USD

GBP/USD turned lower again during the Asian trading hours on Wednesday, falling back below 1.3400. Central bankers will dominate headline flows on Wednesday. A raft of Federal Reserve (Fed) policymakers will be making public appearances, as well as a speech from Bank of England (BoE) Monetary Policy Committee (MPC) member Huw Pill.

USD/JPY

The Japanese Yen (JPY) attracts heavy selling for the third consecutive day on Wednesday, which, along with a broadly firmer US Dollar (USD), lifts the USD/JPY pair to its highest level since February, around the 152.65 area during the Asian session. Investors now seem worried that more expansionary fiscal policy from Japan's incoming first female Prime Minister, Sanae Takaichi, could further complicate the task facing the Bank of Japan (BoJ).

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.1614	1.1661	1.1612	-0.37	-1.01	12.17
GBP-USD	1.3388	1.3435	1.3388	-0.28	-0.67	6.97
USD-JPY	152.37	152.65	151.74	0.31	-3.48	3.17
USD-CHF	0.8012	0.8013	0.7977	0.37	-0.51	13.26
Commodities	**Last**	**High**	**Low**	**% Daily**	**% Weekly**	**% YTD**
Gold	4029.61	4029.70	3982.99	1.12	4.24	53.54
Silver	48.59	48.61	47.75	1.60	2.70	68.13
Crude Oil	62.24	62.36	62.05	0.83	0.74	-9.14
Bitcoin	121782.95	122338.33	121143.08	-0.19	-0.62	29.95
Etherium	4449.19	4517.02	4414.28	-1.40	-1.95	32.95

Period	1M	3M	6M	12M
SOFR ($)	4.09	3.94	3.79	3.58
ESTR (€)	1.89	1.93	1.91	1.89
SONIA (£)	3.97	3.97	3.93	3.86
SARON (₣)	-0.04	-0.05	-0.06	-0.08
TONAR (¥)	0.47	0.47	0.47	0.40

	Rates
U.S. Federal Fund Target Rate	4.25
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

The S&P 500 struggled on Tuesday, bogged down by a drop in Oracle shares amid investors' worries about the profitability of the artificial intelligence rollout. Wall Street also looked for more developments out of Washington with the U.S. government shutdown in its second week as hopes that the government would reopen were dashed after the Senate again.

EUROPE

European stocks oscillated on Tuesday but settled provisionally lower at the close. France is firmly in focus this week following Lecornu's surprise departure on Monday, which has rattled the markets, although France's CAC 40 edged higher on Tuesday after falling 1.3% on Monday.

ASIA

Asia-Pacific stock markets traded flat Wednesday, breaking ranks from Wall Street losses, after the World Bank raised the region's growth forecast Tuesday. Mainland China and South Korean markets stlii closed for the holidays.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	46602.98	-0.20	2.39	9.54	46868.00	0.06
S&P	6714.59	-0.38	3.38	14.16	6766.00	-0.32
Nasdaq	22788.36	-0.67	4.54	18.01	25064.25	-0.45
DJ EuroStoxx50	5613.62	-0.27	4.68	14.66	5626.00	-0.34
FTSE 100	9483.58	0.05	2.84	16.04	9543.00	0.14
CAC 40	7974.85	0.04	3.10	8.05	7977.50	0.05
DAX	24385.78	0.03	2.43	22.49	24540.00	0.09
IBEX 35	15527.00	-0.19	3.50	33.91	15545.30	-0.26
FTSE MIB	43070.95	-0.17	3.23	25.99	42825.00	-0.18
Nikkei	47950.88	-0.30	9.53	19.83	47860.00	-0.64
Hang Seng	26957.77	-1.07	4.04	32.95	26721.00	-1.13
DFM General	5940.12	0.54	0.08	15.15		
MSCI Tadawoul	11583.23	-0.19	10.35	-3.77		
Leb. Mrkts	**Closing Px**	**High**	**Low**	**% Daily**	**% Weekly**	**YTD**
Solidere A	77.55	82.00	76.10	1.04	-8.82	-35.38
Solidere B	77.75	78.00	75.60	-0.96	-8.48	-34.94
EuroBonds	20.875 / 21.500					

MUST READ

(Source: Bloomberg/ Forexlive)

OpenAI, Nvidia Fuel $1 Trillion AI Market With Circular Deals

The AI industry is facing scrutiny as OpenAI and Nvidia engage in massive, interlinked investment deals that some experts warn may be artificially inflating the $1 trillion AI market. Nvidia recently agreed to invest up to $100 billion in OpenAI, which in turn committed to using Nvidia's chips in its data centers. OpenAI has also partnered with AMD to deploy billions in chips, becoming one of AMD's top shareholders. Similar circular relationships exist between OpenAI, Oracle, and CoreWeave, with overlapping investments and purchases of each other's services — raising fears of a bubble similar to the dot-com era. Critics argue these deals resemble self-reinforcing loops, where money circulates among a few dominant players, boosting perceived growth without proven profitability. OpenAI, which expects to spend trillions on infrastructure, has yet to turn a profit and continues to rely on venture capital and debt. Nvidia, now the world's most valuable company, has financial strength but is seen as central to propping up this ecosystem through strategic investments. While industry leaders defend these arrangements as necessary to meet rising AI demand, analysts worry the pace of spending far outpaces monetization. If the AI hype falters, these circular deals could be the warning signs of a future market collapse.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
DELTA AIR LINES I	DAL	$ 36.98 B	9-Oct-25	Bef-Mkt	1.55	1.50
PEPSICO INC	PEP	$ 192.75 B	9-Oct-25	Bef-Mkt	2.27	2.31
LEVI STRAUSS & C	LEVI	$ 9.68 B	9-Oct-25	Aft-Mkt	0.31	0.33
FASTENAL CO	FAST	$ 54.46 B	13-Oct-25	Bef-Mkt	0.30	0.26
JPMORGAN CHAS	JPM	$ 846.07 B	14-Oct-25	Bef-Mkt	4.81	4.37

ECONOMIC CALENDAR

(09-10-25) US - Initial Jobless Claims
(09-10-25) US - Wholesale Inventories MoM
(10-10-25) CA - Net Change in Employment / Unemployment Rate
(10-10-25) US - University of Michigan Sentiment
(10-10-25) US - Federal Budget Balance
(14-10-25) UK - ILO Unemployment Rate
(15-10-25) JN - Industrial Production YoY/MoM

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