Daily Market Brief

January 12th 2026

FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

EUR/USD

The EUR/USD pair edges higher to near 1.1655 during the early European session on Monday. The US Dollar (USD) softens against the Euro (EUR) amid renewed concerns over US Federal Reserve (Fed) independence. Traders await the US Consumer Price Index (CPI) inflation report on Tuesday. Fed Chair Jerome Powell said in a statement that the US Justice Department has threatened criminal charges against him in connection with his Senate testimony last June, during which he discussed the estimated $2.5 billion renovation. Powell described the move as unprecedented and a direct challenge to the central bank's independence. This, in turn, weigh on the Greenback and create a tailwind for the major pair in the near term.

GBP/USD

The GBP/USD pair attracts some buyers to around 1.3430 during the early European trading hours on Monday. The Greenback weakens against the Pound Sterling (GBP) after Federal Reserve (Fed) Chair Jerome Powell said US President Donald Trump threatened him with a criminal indictment, raising concerns over the central bank's independence.

USD/JPY

The Japanese Yen (JPY) attracts fresh sellers following an intraday uptick against a broadly weaker US Dollar (USD) and trades near a one-year trough, touched earlier this Monday, heading into the European session. Against the backdrop of a deepening Japan-China rift, reports that Japan's Prime Minister Sanae Takaichi may call an early general election add a layer of uncertainty amid the lack of clarity about the likely timing of the next Bank of Japan (BoJ) interest rate hike. This turns out to be a key factor that continues to undermine the JPY.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.1669	1.1671	1.1622	0.28	-0.45	-0.66
GBP-USD	1.3434	1.3441	1.3391	0.22	-0.80	-0.30
USD-JPY	157.98	158.20	157.52	0.06	-1.01	-0.80
USD-CHF	0.7979	0.8018	0.7973	-0.41	-0.78	-0.66

Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	4574.00	4599.86	4512.08	1.43	2.81	5.90
Silver	84.42	84.59	79.92	5.71	10.22	17.80
Crude Oil	59.24	59.80	58.64	0.20	1.58	3.17
Bitcoin	91837.57	92399.62	90127.75	1.34	0.91	4.78
Etherium	3153.52	3167.21	3088.36	1.18	0.19	5.90

Period	1M	3M	6M	12M
SOFR ($)	3.67	3.65	3.59	3.44
ESTR (€)	1.94	1.94	1.93	1.94
SONIA (£)	3.73	3.71	3.63	3.53
SARON (₣)	-0.05	-0.05	-0.05	-0.05
TONAR (¥)	0.61	0.52	0.50	0.47

	Rates
U.S. Federal Fund Target Rate	3.75
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	3.75

INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

The S&P 500 rose to new highs on Friday, notching a weekly gain, following the release of the latest jobs report. The three major averages posted a winning week. The S&P 500 was up more than 1% week to date, while the Dow and Nasdaq jumped 2.3% and 1.9%, respectively.

EUROPE

Europe-listed shares finished higher on Friday, as investors assessed key economic data out of the U.S. that could influence the Federal Reserve's monetary policy decisions this year. European stocks tracked morning gains on Wall Street, as the figures spurred hopes that the softening labor market will prompt an interest rate cut from the Fed at its meeting toward the end of this month.

ASIA

Asia-Pacific markets were trading mixed on Monday as investors weighed a possible U.S. intervention in Iran and U.S. Federal Reserve Chair Jerome Powell coming under a criminal investigation. Spot gold prices rose more than 1.6% to hit all-time high of $4,581.29 per ounce.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	49504.07	0.48	2.16	3.00	49500.00	-0.45
S&P	6966.28	0.65	2.03	1.76	6964.75	0.04
Nasdaq	23671.35	0.81	2.05	1.85	25716.25	0.09
DJ EuroStoxx50	5997.47	1.58	4.84	3.56	6011.00	1.55
FTSE 100	10124.60	0.80	4.93	1.95	10126.00	0.76
CAC 40	8362.09	1.44	3.64	2.61	8366.50	1.44
DAX	25261.64	0.53	4.45	3.15	25357.00	0.36
IBEX 35	17649.00	-0.03	4.71	1.97	17604.70	0.07
FTSE MIB	45719.26	0.10	5.07	1.72	45788.00	0.09
Nikkei	51939.89	1.61	2.17	3.18	53890.00	5.27
Hang Seng	26231.79	1.19	2.18	3.56	26585.00	1.69
DFM General	6225.94	-0.20	1.91	2.76		
MSCI Tadawoul	10609.76	1.30	-0.99	1.14		

Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	76.00	76.00	76.00	0.40	-9.52	-9.52
Solidere B	75.00	75.00	75.00	0.00	-9.31	-9.31
EuroBonds	27.00 / 28.00					

MUST READ

(Source: Bloomberg/ Forexlive)

Gold Hits Record as Risks to Fed's Independence, Iran Fan Demand

Gold and silver surged to record highs amid rising political and economic uncertainty, driven by concerns over US institutional stability and escalating geopolitical tensions. Precious metals rallied after the US Justice Department threatened the Federal Reserve with a potential criminal indictment, reviving fears about the Fed's independence and weakening confidence in the US dollar. Gold spiked toward $4,600 an ounce, while silver approached $85, as Fed Chair Jerome Powell warned that the threat reflected broader political pressure on monetary policy. At the same time, deadly protests in Iran boosted haven demand on speculation that the Islamic Republic could face overthrow. US President Donald Trump added to market anxiety by signaling possible actions on Iran, questioning NATO's value, and reiterating expansionist rhetoric. Together, these developments intensified demand for safe assets. Gold and silver are benefiting from a powerful mix of tailwinds, including falling US interest rates, geopolitical instability, declining trust in the dollar, and challenges to the Fed's credibility. Expectations for further US rate cuts were reinforced by weaker labor market data, which reduces real yields and favors non-yielding assets like gold. Silver gained additional support from structural supply tightness, strong investment inflows, and robust industrial demand, with analysts expecting market deficits to persist through 2026. Overall, investors remain confident in the long-term appeal of precious metals amid heightened uncertainty.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
JPMORGAN CHAS	JPM	$ 896.14 B	13-Jan-26	Bef-mkt	4.97	4.81
DELTA AIR LINES I	DAL	$ 47.22 B	13-Jan-26	Bef-mkt	1.57	1.85
BANK OF NEW YO	BK	$ 83.01 B	13-Jan-26	Bef-mkt	1.99	1.72
BANK OF AMERIC	BAC	$ 407.84 B	14-Jan-26	Bef-mkt	0.95	0.82
CITIGROUP INC	C	$ 217.07 B	14-Jan-26	Bef-mkt	1.54	1.36

ECONOMIC CALENDAR

(13-01-26) JN - BOP Current Account Balance
(13-01-26) US - CPI MoM/YoY
(13-01-26) US - New Home Sales
(14-01-26) US - MBA Mortgage Applications
(14-01-26) US - Retail Sales Advance MoM
(14-01-26) JN - PPI Final Demand MoM
(15-01-26) JN - PPI MoM/YoY

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