Daily Market Brief

February 12th 2025

BANQUE BEMO

FOREIGN EXCHANGE MARKETS *(Sources: Bloomberg / Reuters)*

EUR/USD
EUR/USD remains stable around 1.0360 after gaining previously, with potential depreciation due to the Trump administration's plan for reciprocal tariffs, which could impact US exports and raise tariffs on goods from Japan, the EU, and China. The Eurozone is vulnerable to these tariffs, and investor focus shifts to the US CPI inflation data, which may influence the Fed's policy stance amid concerns over rising prices and cautious comments from Fed Chair Powell.

GBP/USD
GBP/USD remains steady around 1.2450, but could face challenges due to rising trade war tensions from Trump's tariff hike and cautious remarks from Fed Chair Powell regarding US monetary policy. Additionally, the Pound may struggle after Bank of England's Catherine Mann expressed a dovish view on interest rates, signaling weaker demand and slower economic recovery.

USD/JPY
The Japanese Yen (JPY) faces heavy selling for the third consecutive day, with USD/JPY climbing into the mid-153.00s, driven by concerns over Trump's tariffs and a positive equity market sentiment. The USD gains further support from hawkish remarks by Fed Chair Powell, while traders await US consumer inflation data for further direction.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.0361	1.0368	1.0354	0.00	-0.40	0.07
GBP-USD	1.2445	1.2459	1.2433	-0.01	-0.48	-0.57
USD-JPY	153.62	153.73	152.38	0.74	-0.66	2.33
USD-CHF	0.9130	0.9136	0.9123	-0.03	-1.24	-0.61
Commodities	**Last**	**High**	**Low**	**% Daily**	**% Weekly**	**% YTD**
Gold	2893.11	2900.84	2883.83	-0.17	0.90	10.23
Silver	31.87	31.94	31.67	0.17	-1.36	10.27
Crude Oil	73.14	73.22	72.93	-0.25	2.97	2.65
Bitcoin	95830.82	96498.31	95088.57	-0.57	-0.20	2.26
Etherium	2604.86	2632.50	2561.20	-0.66	0.65	-22.16

Period	1M	3M	6M	12M
SOFR ($)	4.32	4.32	4.28	4.22
ESTR (€)	2.10	2.45	2.29	2.10
SONIA (£)	4.46	4.43	4.31	4.15
SARON (F)	0.43	0.26	0.17	0.08
TONAR (¥)	0.34	0.27	0.24	0.15

	Rates
U.S. Federal Fund Target Rate	4.50
ECB Main Refinancing Operation Announcement Rate	2.9
ECB Deposit Facility Announcement Rate	2.75
ECB Marginal Lending Facility Announcement Rate	3.15
BOE Official Bank Rate	4.50

INTERNATIONAL EQUITY MARKETS *(Sources: Bloomberg / Reuters)*

UNITED STATES OF AMERICA
The S&P 500 posted a narrow gain on Tuesday as investors digested cautious commentary from Federal Reserve Chair Jerome Powell on interest rates. Concerns remain over the direction of the economy amid U.S. tariffs and the possible escalation of a global trade war. Investors are looking ahead to fresh inflation data in the form of the latest consumer price index report due out Wednesday, while the producer price index will go out on Thursday.

EUROPE
The pan-European Stoxx 600 index closed 0.23% higher at 547.18 points, its second record close of the week, with the banking index up 1.29%. That was despite Italy's UniCredit sliding 1% after guiding for a slight slowdown in 2025 revenues amid expected declines in net interest income.

ASIA
Asia-Pacific markets traded mixed Wednesday as investors digested U.S. President Donald Trump's tariff impact on regional economies. SoftBank posts third-quarter loss of $2.4 billion.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	44593.65	0.28	6.33	4.82	44681.00	0.23
S&P	6068.50	0.03	4.14	3.18	6087.25	-0.02
Nasdaq	19643.86	-0.36	2.52	1.72	21778.75	-0.31
DJ EuroStoxx50	5390.91	0.61	8.31	10.11	5414.00	0.74
FTSE 100	8777.39	0.11	6.41	7.39	8756.00	0.06
CAC 40	8028.90	0.28	8.05	8.78	8048.00	0.46
DAX	22037.83	0.58	9.02	10.69	22178.00	0.70
IBEX 35	12774.80	0.52	8.99	10.18	12780.20	0.41
FTSE MIB	37582.05	0.91	7.10	9.93	37705.00	0.91
Nikkei	38963.70	0.42	-0.58	-2.33	39000.00	0.62
Hang Seng	21294.86	2.21	14.17	8.50	21817.00	1.15
DFM General	5335.76	-0.44	1.60	2.97	N/A	N/A
MSCI Tadawoul	12424.32	-0.38	2.45	3.22	N/A	N/A

Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	113.90	118.00	112.10	1.24	2.52	-5.08
Solidere B	109.40	114.00	107.00	-0.55	-0.55	-8.45

MUST READ *(Source: Bloomberg/ Forexlive)*

Trump announces plan to stop making new pennies, citing production costs

President Trump announced on Sunday that he has directed the U.S. Treasury Department to halt the minting of pennies, ending the coin's 233-year history. The penny, first produced by the U.S. Mint in 1792, now costs more than two cents to manufacture. Trump criticized the wastefulness of this practice in a post on Truth Social, following the Super Bowl. According to a report from the Department of the Treasury (DOGE), it cost taxpayers over $179 million to produce 4.5 billion pennies in Fiscal Year 2023, amounting to more than 3 cents per coin. Rising production costs, driven by the price of metals like zinc and copper, have contributed to the increase. The U.S. Mint's 2024 fiscal year report states it now costs approximately 3.7 cents to produce and distribute each penny. Other nations have already phased out small denomination coins, with Canada stopping penny production in 2012 and Australia ceasing circulation of one- and two-cent coins in 1992. While Trump's directive could end penny production, its complete discontinuation may require Congressional approval.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
Cisco Systems Inc	CSCO US	$ 248.64B	12-Feb-25	Aft-mkt	0.91	0.87
Applovin Corpora	APP US	$ 125.93B	12-Feb-25	Aft-mkt	1.26	0.49
Applied Materials	AMAT US	$ 148.89B	13-Feb-25	Aft-mkt	2.28	2.13
Palo Alto Networl	PANW US	$ 128.28B	13-Feb-25	Aft-mkt	0.82	0.73
Airbnb Inc	ABNB US	$ 85.28B	13-Feb-25	Aft-mkt	0.59	0.60

ECONOMIC CALENDAR

(12-02-25) US - CPI MoM / YoY / Ex Food and Energy MoM
(13-02-25) US - PPI Final Demand MoM
(13-02-25) US - PPI YoY / MoM
(13-02-25) DE - CPI MoM / YoY
(13-02-25) UK - Industrial Production MoM
(13-02-25) UK - GDP QoQ / YoY
(14-02-25) EC - GDP SA YoY / QoQ

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