Daily Market Brief

September 12th 2025

BANQUE BEMO

FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

EUR/USD

The EUR/USD pair loses traction to around 1.1725 during the Asian trading hours on Friday, pressured by a firmer US Dollar (USD). Nonetheless, the potential downside might be limited amid the rising bets of the US Federal Reserve (Fed) rate cut next week. The European Central Bank (ECB) decided to hold interest rates steady at its September policy meeting on Thursday as economic uncertainty persists in the wake of US President Donald Trump's aggressive tariff agenda. The ECB held its rate on the so-called deposit facility at 2.0% and maintained an upbeat view on growth and inflation, dampening expectations for any further cut in borrowing costs.

GBP/USD

GBP/USD rallied over one-third of one percent on Thursday, bolstered by fresh US Dollar (USD) weakness as investors pile into bets that the Federal Reserve (Fed) will finally be pushed into a series of interest rate cuts through the rest of the year. Global markets are pivoting into waiting for next week's Fed rate call, slated for September 17, with a Bank of England (BoE) rate call right behind the Fed that is unlikely to draw nearly as much attention.

USD/JPY

The Japanese Yen (JPY) remains depressed through the Asian session on Friday amid the uncertainty over the timing and the pace of interest rate hikes by the Bank of Japan (BoJ). Investors now seem concerned that Japanese Prime Minister Shigeru Ishiba's successor might put pressure on the central bank to keep interest rates low. However, the incoming macro data from Japan keeps hopes alive for an imminent BoJ rate hike by the end of this year.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.1729	1.1741	1.1721	-0.04	0.10	13.28
GBP-USD	1.3558	1.3581	1.3552	-0.12	0.36	8.33
USD-JPY	147.46	147.55	147.12	0.17	-0.02	6.61
USD-CHF	0.7966	0.7970	0.7954	0.11	0.18	13.91
Commodities	**Last**	**High**	**Low**	**% Daily**	**% Weekly**	**% YTD**
Gold	3654.11	3656.65	3630.63	0.55	1.88	39.23
Silver	42.07	42.17	41.40	1.22	2.59	45.55
Crude Oil	61.88	62.32	61.76	-0.79	0.02	-10.07
Bitcoin	115575.01	116348.76	114413.79	1.00	3.81	23.33
Etherium	4524.67	4539.02	4411.53	2.43	5.21	35.21

Period	1M	3M	6M	12M
SOFR ($)	4.17	4.06	3.88	3.62
ESTR (€)	1.87	1.92	1.90	1.87
SONIA (£)	3.97	3.96	3.92	3.83
SARON (₣)	-0.05	-0.05	-0.07	-0.09
TONAR (¥)	0.47	0.47	0.47	0.38

	Rates
U.S. Federal Fund Target Rate	4.50
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

Stocks rose on Thursday as traders anticipated that the latest reading of a key consumer inflation gauge won't stand in the way of the Federal Reserve lowering its benchmark interest rate next week. It was a confusing batch of numbers, with the consumer price index reading for August coming in hotter than expected on a monthly basis but in line with expectations on an annual basis.

EUROPE

European stock markets closed higher on Thursday, as investors assessed the latest interest rate decision from the European Central Bank and a key U.S. inflation print. Auto stocks reversed earlier losses to close 1.27% higher.

ASIA

Equities in Asia have been rallying on Friday morning, tracking Wall Street gains overnight as easing inflation pressures and expectations for U.S. rate cuts boost investor sentiment. Japan's benchmark Nikkei 225 was higher after hitting a fresh record high on Thursday. Hong Kong's Hang Seng index rose 1.64%, while mainland's CSI 300 inched 0.19% higher.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	46108.00	1.36	3.71	8.38	46145.00	0.00
S&P	6587.47	0.85	2.20	12.00	6593.75	0.81
Nasdaq	22043.07	0.72	1.67	14.15	24035.75	0.64
DJ EuroStoxx50	5386.77	0.47	0.95	10.02	5400.00	0.67
FTSE 100	9297.58	0.78	1.64	13.76	9327.00	0.95
CAC 40	7823.52	0.80	0.90	6.00	7828.00	0.79
DAX	23703.65	0.30	-1.34	19.06	23763.00	0.43
IBEX 35	15321.30	0.68	3.11	32.14	15312.30	0.64
FTSE MIB	42432.42	0.89	1.19	24.12	42452.00	0.87
Nikkei	44372.50	0.97	4.88	12.30	44440.00	1.30
Hang Seng	26086.32	1.47	6.01	31.96	26491.00	1.18
DFM General	5956.76	0.58	-2.64	15.47		
MSCI Tadawoul	10453.06	-0.43	-3.51	-13.16		

Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	72.35	77.00	70.20	0.28	-5.98	-39.71
Solidere B	73.95	76.40	71.00	-0.07	-1.47	-38.12
EuroBonds	22.60 / 23.60					

MUST READ

(Source: Bloomberg/ Forexlive)

Microsoft, OpenAI reach non-binding deal to allow OpenAI to restructure

Microsoft and OpenAI have announced a non-binding agreement outlining new terms for their partnership, allowing OpenAI to restructure into a for-profit company. While specific commercial details remain undisclosed, the move marks progress in OpenAI's efforts to adopt a more conventional corporate model, raise capital, and potentially go public. Microsoft, which invested $1 billion in 2019 and $10 billion in 2023, previously held exclusive rights to sell OpenAI's tools through Azure and had preferred access to its technology. However, OpenAI has since diversified its partnerships, including $300 billion in contracts with Oracle and deals with Google, to support its data center project "Stargate." As OpenAI's revenue climbs into the billions, it is seeking more flexible partnerships to secure computing resources and expand its reach. Meanwhile, Microsoft aims to retain access to OpenAI's technology—even if the AI reaches artificial general intelligence (AGI), a milestone that would terminate the current agreement. OpenAI's nonprofit arm is set to receive over $100 billion in value, about 20% of the company's targeted $500 billion valuation. Regulatory approval is still needed from authorities in California and Delaware. If not finalized by year-end, OpenAI risks losing significant funding. Microsoft is also developing its own AI models to reduce dependency on OpenAI.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
GENERAL MILLS II	GIS	$ 27.06 B	17-Sep-25	Bef-Mkt	0.82	1.07
FACTSET RESEARC	FDS	$ 14.01 B	18-Sep-25	Bef-Mkt	4.13	3.74
FEDEX CORP	FDX	$ 53.99 B	18-Sep-25	Aft-Mkt	3.65	3.60
LENNAR CORP-A	LEN	$ 36.11 B	18-Sep-25	Aft-Mkt	2.10	3.90
AUTOZONE INC	AZO	$ 72.85 B	23-Sep-25	Bef-Mkt	50.90	48.11

ECONOMIC CALENDAR

(12-09-25) UK - Industrial/Manufacturing Production YoY/MoM
(12-09-25) UK - Trade Balance GBP/Mn
(12-09-25) US - University of Michigan Sentiment
(15-09-25) US - Empire Manufacturing
(16-09-25) UK - ILO Unemployment Rate
(16-09-25) US - Retail Sales MoM
(16-09-25) CA - CPI YoY

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