# Daily Market Brief

December 12th 2025

BANQUE BEMO

## FOREIGN EXCHANGE MARKETS

*(Sources: Bloomberg / Reuters)*

**EUR/USD**

The EUR/USD pair retreats from a 10-week high to near 1.1735 during the early European session on Friday, pressured by a modest rebound in the US Dollar (USD). The potential downside for the major pair might be limited amid the prospect of the US Federal Reserve (Fed) rate cuts next year. The final reading of the German Harmonized Index of Consumer Prices (HICP) will be released later on Friday. Rising bets that the European Central Bank (ECB) is done cutting interest rates could support the shared currency in the near term.

**GBP/USD**

GBP/USD is holding firmly in bullish territory heading into the tail end of the week, but Cable bidders ran into a technical resistance point at the 1.3400. The Federal Reserve (Fed) delivered a third straight interest rate cut this week, bolstering broad-market risk appetite and pushing the US Dollar (USD) into the low side across the board.

**USD/JPY**

The Japanese Yen (JPY) sticks to its modest intraday losses through the Asian session on Friday, though the downside remains cushioned amid hawkish Bank of Japan (BoJ) expectations. Prime Minister Sanae Takaichi's massive spending plan has exacerbated concerns about Japan's public finances amid sluggish economic growth. This, along with the prevalent risk-on environment, turned out to be key factors behind the safe-haven JPY's relative underperformance against its American counterpart.

| Fx rates | Last | High | Low | % Daily | % Weekly | % YTD |
|---|---|---|---|---|---|---|
| EUR-USD | 1.1736 | 1.1746 | 1.1731 | -0.02 | 0.81 | 13.35 |
| GBP-USD | 1.3393 | 1.3400 | 1.3388 | 0.04 | 0.49 | 7.01 |
| USD-JPY | 155.77 | 155.83 | 155.45 | 0.12 | -0.28 | 0.92 |
| USD-CHF | 0.7950 | 0.7955 | 0.7942 | -0.05 | 1.23 | 14.14 |
| **Commodities** | **Last** | **High** | **Low** | **% Daily** | **% Weekly** | **% YTD** |
| Gold | 4282.25 | 4283.46 | 4264.81 | 0.05 | 2.01 | 63.16 |
| Silver | 63.80 | 63.94 | 62.83 | 0.38 | 9.36 | 120.74 |
| Crude Oil | 57.94 | 58.19 | 57.88 | 0.59 | -3.56 | -14.64 |
| Bitcoin | 92523.39 | 93215.43 | 91487.17 | -0.39 | 2.54 | -1.27 |
| Etherium | 3254.23 | 3266.56 | 3187.01 | 0.12 | 5.45 | -2.76 |

| Period | 1M | 3M | 6M | 12M |
|---|---|---|---|---|
| SOFR ($) | 3.76 | 3.73 | 3.68 | 3.54 |
| ESTR (€) | 1.95 | 1.93 | 1.94 | 1.95 |
| SONIA (£) | 3.81 | 3.76 | 3.70 | 3.63 |
| SARON (₣) | -0.05 | -0.05 | -0.05 | -0.04 |
| TONAR (¥) | 0.47 | 0.47 | 0.47 | 0.44 |

| | 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 | 4.00 |

## INTERNATIONAL EQUITY MARKETS

*(Sources: Bloomberg / Reuters)*

**UNITED STATES OF AMERICA**

The Dow Jones Industrial Average and S&P 500 reached new heights on Thursday, as a Federal Reserve interest rate cut followed by disappointing Oracle results prompted investors to move out of high-flying tech stocks and into names that can benefit from a growing U.S. economy. Oracle shares tumbled nearly 11% after the cloud computing company posted disappointing quarterly revenue and raised its spending forecast, heightening concerns about the company's debt.

**EUROPE**

European stocks finished higher on Thursday as investors digest the U.S. Federal Reserve's latest rate cut and Swiss central bank's decision to hold rates. The pan-European Stoxx 600 closed 0.5% higher, with most sectors and bourses ending the session in positive territory.

**ASIA**

Asia-Pacific markets traded higher Friday, tracking Wall Street gains after two key benchmarks hit new records on the heels of the recent Federal Reserve decision to cut rates.

| Index | Close | % Daily | % M | YTD | Futures | % Change |
|---|---|---|---|---|---|---|
| DJIA | 48704.01 | 1.34 | 0.93 | 14.48 | 48849.00 | 0.21 |
| S&P | 6901.00 | 0.21 | 0.73 | 17.33 | 6906.25 | 0.22 |
| Nasdaq | 23593.86 | -0.25 | 0.80 | 22.18 | 25672.25 | -0.46 |
| DJ EuroStoxx50 | 5753.96 | 0.80 | -0.58 | 17.52 | 5784.00 | 1.38 |
| FTSE 100 | 9703.16 | 0.49 | -2.10 | 18.72 | 9754.50 | 0.80 |
| CAC 40 | 8085.76 | 0.79 | -1.89 | 9.55 | 8117.50 | 0.78 |
| DAX | 24294.61 | 0.68 | -0.36 | 22.03 | 24407.00 | 1.20 |
| IBEX 35 | 16883.00 | 0.72 | 1.61 | 45.61 | 16886.70 | 0.90 |
| FTSE MIB | 43702.01 | 0.54 | -2.43 | 27.84 | 43910.00 | 0.55 |
| Nikkei | 50148.82 | 1.37 | -0.44 | 27.43 | 50130.00 | -0.93 |
| Hang Seng | 25530.51 | 1.75 | -3.51 | 29.50 | 25977.00 | 1.86 |
| DFM General | 6100.06 | -0.09 | 0.87 | 18.15 | | |
| MSCI Tadawoul | 10715.98 | -0.09 | -4.13 | -10.97 | | |
| **Leb. Mrkts** | **Closing Px** | **High** | **Low** | **% Daily** | **% Weekly** | **YTD** |
| Solidere A | 76.05 | 76.10 | 76.00 | -0.07 | 0.98 | -35.83 |
| Solidere B | 74.00 | 74.00 | 74.00 | 0.00 | -1.46 | -38.08 |
| EuroBonds | 23.50 / 24.25 | | | | | |

## MUST READ

*(Source: Bloomberg/ Forexlive)*

**Oracle Slides by Most Since January on Mounting AI Spending**

Oracle shares fell sharply—wiping out over $100 billion in market value—after the company reported a surge in spending on AI-related data centers that has yet to produce revenue at the pace investors expect. Quarterly capital expenditures rose to $12 billion, far above analyst forecasts and up from $8.5 billion in the prior period. Though cloud revenue grew 34% to $7.98 billion and infrastructure sales climbed 68% to $4.08 billion, both came in slightly below expectations, contributing to the stock's steepest drop since early 2024 and pushing its credit-risk gauge to a 16-year high. Oracle is aggressively expanding its AI infrastructure to serve major customers such as OpenAI, TikTok, and Meta. Remaining performance obligations jumped to $523 billion, signaling strong long-term demand, yet Wall Street remains concerned about the debt-heavy strategy and the long timeline required for AI investments to convert into revenue. The company now projects $50 billion in capital expenditures for fiscal 2026 and annual revenue of $67 billion. Free cash flow turned negative $10 billion, and total debt stands at $106 billion. The earnings report also marks the first since Oracle's leadership transition to co-CEOs Clay Magouyrk and Mike Sicilia, who reaffirmed commitments to maintaining investment-grade credit and continued cloud expansion.

## MAIN WEEKLY EARNINGS

| Company | Ticker | Market Cap | Date | Time | Estimate | Year Ago |
|---|---|---|---|---|---|---|
| LENNAR CORP-A | LEN | $ 30.21 B | 16-Dec-25 | Aft-mkt | 2.25 | 4.06 |
| JABIL INC | JBL | $ 25.03 B | 17-Dec-25 | Bef-mkt | 2.70 | 2.00 |
| MICRON TECHNO | MU | $ 290.86 B | 17-Dec-25 | Aft-mkt | 3.90 | 1.79 |
| MILLERKNOLL INC | MLKN | $ 1.13 B | 17-Dec-25 | Aft-mkt | 0.41 | 0.55 |
| ACCENTURE PLC-( | ACN | $ 167.86 B | 18-Dec-25 | Bef-mkt | 3.73 | 3.59 |

## ECONOMIC CALENDAR

**(12-12-25) UK - Industrial and Manufacturing Production MoM/YoY**
**(15-12-25) JN - Tertiary Industry Index MoM**
**(15-12-25) CA - CPI MoM/YoY**
**(16-12-25) UK - ILO Unemployment Rate 3 months / Jobless Claims Change**
**(16-12-25) EC - HCOB Eurozone Manufacturing PMI**
**(16-12-25) US - Change in Nonfarm Payrolls**
**(16-12-25) US - Unemployment Rate**


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