Daily Market Brief

July 16th 2026

FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

EUR/USD

The EUR/USD pair holds steady above the 1.1450 level during the Asian session on Thursday and consolidates its strong gains registered over the past two days, to the highest level since June 18. The US Dollar (USD) struggles to attract any meaningful buyers and languishes near a four-week low, touched on Wednesday following the release of the US Producer Price Index (PPI). In fact, the US Bureau of Labor Statistics (BLS) reported that the PPI unexpectedly fell 0.3% in June. This comes on top of a soft US Consumer Price Index (CPI) report on Tuesday and further prompts traders to trim their bets for an immediate rate hike by the US Federal Reserve (Fed). The outlook, in turn, keeps USD bulls on the defensive, which is seen as a key factor acting as a tailwind for the EUR/USD pair.

GBP/USD

The GBP/USD pair trades with mild losses around 1.3535 during the early European trading hours on Thursday. Markets might turn cautious ahead of the UK Gross Domestic Product (GDP) report and the US Retail Sales data, which are due later on Thursday. Traders raise their bets on rate hikes from the Bank of England (BoE) this year, given the expected impact on inflation from higher oil prices. Money markets are fully pricing in a hike by the November policy meeting, with a second rate hike priced in by April 2027, according to Reuters. Prior to the US-Iran war, traders had been expecting the BoE to lower interest rates twice this year.

USD/JPY

The USD/JPY pair loses ground to near 162.15 during the Asian trading hours on Thursday. The Japanese Yen (JPY) strengthens against the US Dollar (USD) after verbal intervention from Japanese authorities. Traders await the release of the US June Retail Sales data later on Thursday for fresh impetus. Traders remain on alert for possible intervention from Japanese officials. On Thursday, Japan's Finance Minister Satsuki Katayama said that the authorities are ready to take appropriate action on currency anytime as needed. She added that the officials will track market trends and economic data to ensure fiscal sustainability.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.1468	1.1475	1.1460	0.04	0.33	-2.37
GBP-USD	1.3539	1.3544	1.3520	-0.01	0.98	0.48
USD-JPY	162.12	162.21	162.03	-0.04	0.16	-3.34
USD-CHF	0.8060	0.8065	0.8045	0.09	0.12	-1.66
Commodities	**Last**	**High**	**Low**	**% Daily**	**% Weekly**	**% YTD**
Gold	4029.68	4066.57	4024.43	-0.76	-2.28	-6.71
Silver	57.03	57.92	56.87	-1.33	-4.89	-20.42
Crude Oil	79.20	80.59	79.14	-0.50	9.88	38.85
Bitcoin	64908.58	64966.94	64360.86	-0.04	0.88	-25.94
Etherium	1923.58	1927.92	1907.21	0.04	5.39	-35.40

Period	1M	3M	6M	12M
SOFR ($)	3.71	3.79	3.93	4.09
ESTR (€)	2.56	2.28	2.41	2.56
SONIA (£)	3.75	3.81	3.93	4.12
SARON (₣)	-0.05	-0.05	-0.02	0.06
TONAR (¥)	0.96	0.80	0.76	0.63

	Rates
U.S. Federal Fund Target Rate	3.75
ECB Main Refinancing Operation Announcement Rate	2.4
ECB Deposit Facility Announcement Rate	2.25
ECB Marginal Lending Facility Announcement Rate	2.65
BOE Official Bank Rate	3.75

INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

The S&P 500 rose on Wednesday, with major technology stocks advancing, as traders digested more data showing inflation is cooling. The broad market index finished up 0.38% at 7,572.40, while the Nasdaq Composite climbed 0.62% to settle at 26,269.23. The Dow Jones Industrial Average added 150.37 points, or 0.29%, to end at 52,658.64. Investors appeared to be paring exposure to key semiconductor stocks and moving into shares of certain Big Tech names. Notably, Amazon and Alphabet moved up around 3%, while Microsoft was higher by nearly 3%. Apple gained 4%, hitting a new all-time high.

EUROPE

The pan-European Stoxx 600 added 0.1% on Wednesday, as regional sectors and major bourses in the continent finished the session in mixed territory. In Paris, France's CAC 40 index ended 0.19% higher. In London, the U.K. FTSE 100 slipped 0.13%, and Germany's DAX shed 0.59% in Frankfurt, while in Milan, the Italian FTSE MIB lost 0.85%.

Asia

Asia-Pacific markets opened lower Thursday. South Korea's Kospi led losses in the region, declining more than 5%, while the small-cap Kosdaq fell 1.97%. Japan's benchmark Nikkei 225 fell 2.4%, while the Topix declined 0.9%. Australia's benchmark S&P/ASX 200 was flat at the open.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	52658.64	0.29	1.27	9.56	52943.00	0.11
S&P	7572.40	0.38	0.81	10.62	7617.75	0.10
Nasdaq	26269.23	0.62	-0.41	13.02	29692.00	0.07
DJ EuroStoxx50	6265.58	-0.23	0.13	8.19	6309.00	0.27
FTSE 100	10515.92	-0.13	0.21	5.89	10483.50	-0.27
CAC 40	8382.43	0.19	-0.77	2.86	8382.00	0.16
DAX	24999.53	-0.59	0.36	2.08	25155.00	0.06
IBEX 35	19275.50	-0.42	0.58	11.37	19265.00	-0.49
FTSE MIB	52411.25	-0.85	-0.04	16.61	52529.00	-0.86
Nikkei	68751.51	-2.79	-3.71	32.76	66820.00	-2.79
Hang Seng	24681.10	2.04	2.82	-1.74	25219.00	2.19
DFM General	5911.36	0.35	-2.37	-2.24		
MSCI Tadawoul	10704.51	-0.10	-3.96	2.04		

Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	72.00	75.50	71.20	-0.89	-1.37	-14.29
Solidere B	72.45	72.50	71.00	1.26	0.69	-12.39
EuroBonds	23.75 / 24.75					

MUST READ

(Source: Bloomberg/ Forexlive)

TSMC Beats Lofty Estimates in Latest Sign of Sustained AI Demand

Taiwan Semiconductor Manufacturing Co. (TSMC) reported stronger-than-expected results for the June quarter, reflecting sustained global demand for artificial intelligence (AI) chips. Net income reached NT$706.6 billion, exceeding analyst estimates of NT$623.7 billion, while revenue increased 36% year-over-year to NT$1.27 trillion. As the primary chip supplier for Nvidia, Apple, AMD, and Broadcom, TSMC remains central to the global AI infrastructure boom. The company expects AI-driven demand to remain strong, with CEO C.C. Wei warning that customer demand, particularly from U.S. firms, will exceed supply for years despite expanding manufacturing capacity. TSMC plans to invest nearly $56 billion in capital expenditures this year to increase production, while industry forecasts, including from SK Hynix, suggest chip shortages could persist beyond 2030. Although investors remain concerned about high valuations and whether technology companies are overinvesting in AI infrastructure, TSMC believes demand will continue to outpace supply. Analysts expect AI and server processor demand to offset weaker smartphone and PC markets, supporting higher margins. Attention is also focused on TSMC's future investment plans, particularly its advanced packaging capacity and competition with Intel. Meanwhile, the company is investing heavily in a major Arizona manufacturing campus as part of efforts to expand U.S.-based semiconductor production.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
GENERAL ELECTRI	GE	$ 375.97 B	16-Jul-26	Bef-mkt	1.86	1.66
UNITEDHEALTH G	UNH	$ 380.08 B	16-Jul-26	Bef-mkt	4.85	4.08
NETFLIX INC	NFLX	$ 310.25 B	16-Jul-26	Aft-mkt	0.80	0.74
TRUIST FINANCIA	TFC	$ 65.78 B	17-Jul-26	Bef-mkt	1.07	0.91
FIFTH THIRD BAN	FITB	$ 52.51 B	17-Jul-26	Bef-mkt	0.98	0.90

ECONOMIC CALENDAR

(16-07-26) UK - Industrial / Manufacturing production MoM / YOY
(16-07-26) US - Retail Sales Advance MoM
(16-07-26) US - Initial Jobless Claims
(16-07-26) EC - CPI MoM / YoY
(16-07-26) US - Housing Starts
(16-07-26) US - Industrial Production MoM
(16-07-26) US - U. of Mich. Sentiment

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