Daily Market Brief

June 18th 2025

FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

EUR/USD

The EUR/USD trades around 1.1500 during the Asian trading hours on Wednesday. A slew of downbeat US economic data weigh on the Greenback. However, escalating Israel-Iran tensions might cap the upside for the major pair. The US Federal Reserve (Fed) rate decision will be closely watched later on Wednesday.

GBP/USD

GBP/USD edges higher after registering over 1% losses in the previous day, trading around 1.3440 during the Asian hours on Wednesday. Traders will focus on the UK Consumer Price Index (CPI) data for May, scheduled to be released later in the day. The inflation data is anticipated to show that price pressures have cooled down. On Thursday, the Bank of England (BoE) is also expected to keep interest rates steady at 4.25%.

USD/JPY

The Japanese Yen (JPY) remains on the back foot against its American counterpart for the fourth consecutive day and retests the monthly low during the Asian session on Wednesday.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.1501	1.1508	1.1475	0.18	0.12	11.08
GBP-USD	1.3440	1.3447	1.3422	0.08	-0.79	7.38
USD-JPY	145.01	145.44	144.93	-0.19	-0.31	8.41
USD-CHF	0.8166	0.8173	0.8151	0.04	0.45	11.12
Commodities	**Last**	**High**	**Low**	**% Daily**	**% Weekly**	**% YTD**
Gold	3393.10	3400.02	3370.75	0.15	1.13	29.29
Silver	37.27	37.29	37.05	0.43	2.80	28.95
Crude Oil	74.80	75.69	74.72	-0.05	9.76	7.10
Bitcoin	105477.31	105540.59	104255.01	1.04	0.00	12.55
Etherium	2535.72	2546.33	2492.68	0.96	-0.47	-24.23

Period	1M	3M	6M	12M
SOFR ($)	4.31	4.31	4.23	4.04
ESTR (€)	1.79	1.92	1.86	1.79
SONIA (£)	4.21	4.14	4.05	3.89
SARON (₣)	-0.09	-0.10	-0.15	-0.22
TONAR (¥)	0.47	0.47	0.42	0.30

	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	4.25

INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

Stocks were lower on Tuesday as investors pored through the latest developments in the Middle East, with the Israel-Iran conflict raging on for a fifth day. Adding fuel to fire, U.S. President Donald Trump is mulling a military strike on Iran. The president met with his national security team in the White House Situation Room Tuesday afternoon. And the Pentagon simultaneously moved assets to the Middle East to strengthen U.S. military's defensive capabilities and expand Trump's options.

EUROPE

The European stock markets declined over the continuing Israel-Iran conflict. The Stoxx Europe 600 index closed 0.8% lower. Regionally, the U.K.'s FTSE 100 was off by 0.5%, France's CAC 40 fell by 0.8%, while Germany's DAX was in the red by 1%. Meanwhile, Israel's Tel Aviv 35 index hit an all-time high.

ASIA

Asia-Pacific markets traded mixed Wednesday, as escalating tensions between Israel and Iran weigh on investor sentiment.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	42215.80	-0.70	-1.03	-0.77	42245.00	0.06
S&P	5982.72	-0.84	0.41	1.72	5991.75	-0.72
Nasdaq	19521.09	-0.91	1.61	1.09	21761.00	-0.79
DJ EuroStoxx50	5288.68	-0.95	-2.56	8.02	5275.00	-1.22
FTSE 100	8834.03	-0.46	1.72	8.09	8839.50	-0.44
CAC 40	7683.73	-0.76	-2.57	4.11	7677.50	-0.76
DAX	23434.65	-1.12	-1.40	17.71	23365.00	-1.53
IBEX 35	13911.70	-1.41	-1.09	19.98	13911.60	-1.29
FTSE MIB	39387.22	-1.36	-3.12	15.21	39398.00	-1.35
Nikkei	38536.74	0.71	2.80	-2.72	38820.00	1.12
Hang Seng	23980.30	-1.17	1.51	18.14	23675.00	-1.57
DFM General	5372.36	-0.64	-1.52	4.14		
MSCI Tadawoul	10713.82	-1.41	-6.34	-10.99		

Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	84.00	84.00	84.00	0.36	-2.83	-30.00
Solidere B	80.40	81.00	80.00	0.56	-1.71	-32.72
EuroBonds	17.00 / 17.70					

MUST READ

(Source: Bloomberg/ Forexlive)

Fed Expected to Hold Rates Steady as Focus Shifts to Future Rate Cut Signals

The Federal Reserve is expected to hold interest rates steady this week, but markets are focused on whether officials still foresee two rate cuts this year. Central to this will be the updated "dot plot," which outlines individual Fed policymakers' rate projections. The previous dot plots, in March and December, pointed to two cuts in 2025, factoring in economic uncertainty driven partly by President Trump's policies. Despite rising geopolitical tensions, particularly recent Israeli airstrikes on Iran that could raise oil prices and inflation, analysts expect the Fed to maintain its current stance. Former Kansas City Fed President Esther George and Wilmington Trust economist Luke Tilley believe the Fed is unlikely to alter its rate outlook significantly at this time. Chair Jerome Powell faces increasing political pressure from Trump, who has demanded aggressive rate cuts and insulted Powell publicly. Nevertheless, Powell and other Fed officials remain concerned about inflation risks tied to Trump's tariffs, even though recent data show limited tariff-driven price increases. Economists expect Powell to stress cautious patience, emphasizing that inflation remains above the Fed's 2% target and the job market remains strong. The Fed will likely keep its policy data-dependent, watching for signs that justify easing while balancing inflation risks and economic growth.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
KROGER CO	KR	$ 43.91 B	20-Jun-25	Bef-mkt	1.45	1.43
ACCENTURE PLC-(	ACN	$ 195.56 B	20-Jun-25	Bef-mkt	3.31	3.13
CARMAX INC	KMX	$ 9.81 B	20-Jun-25	Bef-mkt	1.20	0.97
DARDEN RESTAUI	DRI	$ 26.31 B	20-Jun-25	Bef-mkt	2.94	2.65
FACTSET RESEARC	FDS	$ 16.08 B	23-Jun-25	Bef-mkt	4.29	4.37

ECONOMIC CALENDAR

(18-06-25) UK - CPI YoY/MoM
(18-06-25) EC - CPI YoY/MoM
(18-06-25) US - FOMC Rate Decision
(19-06-25) SZ - SNB Policy Rate
(19-06-25) UK - Bank of England Bank Rate
(20-06-25) UK - Retail Sales YoY/MoM
(20-06-25) US - Leading Index

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