Daily Market Brief

July 18th 2025

BANQUE BEMO

FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

EUR/USD

EUR/USD recovers its recent losses registered in the previous day, trading around 1.1630 during the Asian hours on Friday. The pair appreciates as the US Dollar (USD) loses ground amid easing risk sentiment following the dovish remarks from Federal Reserve (Fed) officials as San Francisco Fed President Mary Daly stated that two rate cuts this year are a "reasonable" outlook, while cautioning against waiting too long, Daly added that rates will eventually settle at 3% or higher. Financial markets are now pricing in a September starting date for rate cuts, and Fed officials penciled in two easing moves later this year.

GBP/USD

GBP/USD gains ground after registering small losses in the previous session, trading around 1.3440 during the Asian hours on Friday. The pair appreciates as the US Dollar (USD) edges lower due to dovish remarks from the Federal Reserve (Fed) officials. The GBP/USD pair also drew support as the Pound Sterling (GBP) received support from a mixed United Kingdom (UK) job market report, which showed more employment levels but also a higher unemployment rate.

USD/JPY

The Japanese Yen (JPY) ticks lower against its American counterpart during the Asian session on Friday and remains well within striking distance of over three-month low touched earlier this week. The growing acceptance that the Bank of Japan (BoJ) would forgo raising interest rates this year continues to act as a headwind for the JPY.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.1617	1.1634	1.1592	0.18	-0.62	12.20
GBP-USD	1.3422	1.3441	1.3411	0.04	-0.53	7.24
USD-JPY	148.70	148.73	148.29	0.08	-0.85	5.72
USD-CHF	0.8031	0.8049	0.8022	-0.17	-0.81	12.99
Commodities	**Last**	**High**	**Low**	**% Daily**	**% Weekly**	**% YTD**
Gold	3339.89	3344.23	3333.87	0.03	-0.47	27.26
Silver	38.19	38.20	38.06	0.13	-0.58	32.15
Crude Oil	67.77	67.91	67.43	0.34	-0.99	-2.48
Bitcoin	120597.86	120992.51	119125.05	0.94	1.23	28.69
Etherium	3636.17	3648.97	3419.65	6.25	21.51	8.66

Period	1M	3M	6M	12M
SOFR ($)	4.35	4.33	4.22	4.01
ESTR (€)	1.75	1.88	1.82	1.75
SONIA (£)	4.15	4.06	3.95	3.80
SARON (₣)	-0.06	-0.07	-0.10	-0.13
TONAR (¥)	0.47	0.47	0.46	0.34

	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 rose on Thursday, the S&P 500 added 0.54% for a new record close, and the tech-heavy Nasdaq Composite advanced 0.75% for its tenth record close of 2025. Quarterly earnings reports released this week have exceeded Wall Street's expectations, fueling investor confidence. Also. Kkey data releases on Thursday reflected strength in the U.S. economy as initial jobless claims for July came better than expected.

EUROPE

European markets closed higher on Thursday, fueled by strong earnings from industrials and improving sentiment around U.S.–EU trade talks, recouping losses from earlier in the week. Germany's DAX led the rally with a 1.51% gain, while France's CAC 40 rose 1.29% and the UK's FTSE 100 added 0.52%.

ASIA

Australian equities notched a record high as Asia-Pacific traded mixed after Wall Street gains on the back of strong U.S. economic data reports and a slew of better-than-expected corporate earnings.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	44484.49	0.52	5.48	4.56	44829.00	0.24
S&P	6297.36	0.54	5.29	7.07	6356.00	0.81
Nasdaq	20885.65	0.75	6.85	8.16	23305.75	0.94
DJ EuroStoxx50	5377.15	1.49	2.09	9.83	5415.00	1.56
FTSE 100	8972.64	0.52	1.46	9.78	9011.00	0.68
CAC 40	7822.00	1.29	2.17	5.98	7823.00	1.29
DAX	24370.93	1.51	4.52	22.41	24584.00	1.66
IBEX 35	13994.50	0.78	0.51	20.69	14004.60	0.69
FTSE MIB	40128.70	0.92	1.80	17.38	40151.00	0.91
Nikkei	39901.19	-0.23	2.38	-0.21	39830.00	0.56
Hang Seng	24498.95	0.58	3.93	22.84	24700.00	0.40
DFM General	6103.09	2.15	15.02	18.31		
MSCI Tadawoul	11006.98	-0.29	3.73	-8.55		

Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	87.95	89.00	85.00	4.70	3.65	-26.71
Solidere B	89.75	90.00	84.00	5.77	9.38	-24.90
EuroBonds	18.75 / 19.50					

MUST READ

(Source: Bloomberg/ Forexlive)

Powell Letter Adresses White House Criticism of Fed's $2.5 Billion Renovation

Federal Reserve Chair Jerome Powell responded to White House criticism over a $2.5 billion renovation project at the Fed's Washington headquarters. In a letter to Russ Vought, Director of the Office of Management and Budget, Powell defended the project, stating that the Fed takes its duty to manage public resources seriously while carrying out responsibilities assigned by Congress. The letter followed a July 10 inquiry from Vought, who called the renovations an "ostentatious overhaul" and demanded more transparency within seven business days. The project, which involves restoring two historic buildings, has drawn criticism from former President Trump and his allies, who have also been pressuring the Fed to cut interest rates. The renovation's cost overruns have been blamed partly on inflation, with Fed Governor Christopher Waller noting that inflation since 2017 exceeded expectations, making such overruns "not uncommon." The controversy has intensified scrutiny of Powell, particularly following his recent congressional testimony. Meanwhile, Representative Anna Paulina Luna announced she would refer Powell to the Justice Department for investigation into alleged perjury related to the renovation, though such referrals hold no legal weight. The dispute comes amid heightened political tension over the Fed's interest rate policy and its broader economic stance.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
SCHLUMBERGER I	SLB US	$ 52.03 B	18-Jul-25	Bef-Mkt	0.73	0.85
SCHWAB (CHARLE	SCHW US	$ 173.90 B	18-Jul-25	Bef-Mkt	1.09	0.73
AMERICAN EXPRE	AXP US	$ 220.93 B	18-Jul-25	Bef-Mkt	3.87	3.49
TRUIST FINANCIA	TFC US	$ 58.94 B	18-Jul-25	Bef-Mkt	0.93	0.91
3M CO	MMM US	$ 85.59 B	18-Jul-25	Bef-Mkt	2.01	1.93

ECONOMIC CALENDAR

(18-07-25) JP - Natl CPI YoY
(18-07-25) US - University of Michigan Sentiment
(21-07-25) US - Leading Index
(22-07-25) UK - Public Sector Net Borrowing
(23-07-25) US - MBA Mortgage Applications
(23-07-25) US - Existing Home Sales
(23-07-25) US - Consumer Confidence

CONTACT

Banque BEMO sal
Asset Management Unit

Ashrafieh, Elias Sarkis Ave., BEMO Bldg, 4th Floor
P.O.Box 16-6353 Beirut, Lebanon
Tel: +961 1 325405/6/7/9