

Daily Market Brief

March 19th 2025



FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

EUR/USD

The EUR/USD pair weakened to around 1.0935 on Wednesday, pressured by a recovery in the US Dollar and anticipation of the US Federal Reserve's interest rate decision. Strong US economic data and Germany's parliament approving a large spending surge are key factors influencing market sentiment ahead of the Fed's meeting.

GBP/USD

GBP/USD edged lower to around 1.2990 on Wednesday, as the US Dollar remained firm, supported by stable Treasury yields and anticipation of the Federal Reserve's interest rate decision. Meanwhile, political uncertainty and weak US economic data weighed on the Greenback, while the Pound remained cautious ahead of the Bank of England's interest rate decision on Thursday.

USD/JPY

The Japanese Yen (JPY) remained subdued following the Bank of Japan's decision to keep interest rates unchanged, with weak domestic data and a modest USD bounce pushing the USD/JPY pair above the mid-149.00s. Investors are now awaiting BoJ Governor Kazuo Ueda's comments and the outcome of the upcoming FOMC meeting for further direction.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.0927	1.0947	1.0922	-0.16	0.36	5.53
GBP-USD	1.2982	1.3004	1.2978	-0.15	0.15	3.72
USD-JPY	149.73	150.02	149.20	0.31	-0.99	4.99
USD-CHF	0.8769	0.8779	0.8763	0.02	0.57	3.48
Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	3043.73	3045.34	3027.48	0.30	3.71	15.97
Silver	34.02	34.10	33.87	0.02	2.33	17.71
Crude Oil	66.34	66.86	66.34	-0.84	-1.98	-6.38
Bitcoin	83231.17	83332.98	81930.79	1.46	-1.10	-11.19
Etherium	1939.20	1948.70	1905.70	1.75	0.72	-42.05
Period	1M	3M	6M	12M		
SOFR (\$)	4.32	4.30	4.20	4.03		
ESTR (€)	2.10	2.32	2.20	2.10		
SONIA (£)	4.45	4.39	4.30	4.18		
SARON (F)	0.26	0.26	0.24	0.23		
TONAR (¥)	0.47	0.36	0.29	0.20		

Rates

U.S. Federal Fund Target Rate	4.50
ECB Main Refinancing Operation Announcement Rate	2.65
ECB Deposit Facility Announcement Rate	2.50
ECB Marginal Lending Facility Announcement Rate	2.90
BOE Official Bank Rate	4.50

INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

Stocks pulled back Tuesday as a sell-off that has engulfed Wall Street in recent weeks resumed after two straight winning sessions. While investors continue to follow updates out of the White House, they'll turn their attention to the Federal Reserve's two-day policy meeting that kicked off Tuesday. Traders will closely follow Wednesday afternoon's interest rate announcement and subsequent press conference with Fed Chair Jerome Powell.

EUROPE

European markets closed higher on Tuesday, with investor focus on Germany's historic debt reform deal and a closely-watched phone call between U.S. President Donald Trump and Russian leader Vladimir Putin.

ASIA

Asia-Pacific markets traded mixed on Wednesday, following declines on Wall Street after a sell-off in technology stocks picked up pace. Japanese markets were in focus for investors. The Bank of Japan held interest rates steady at 0.5%, in line with expectations.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	41581.31	-0.62	-6.83	-2.26	41625.00	-0.62
S&P	5614.66	-1.07	-8.62	-4.54	5624.25	-0.99
Nasdaq	17504.12	-1.71	-12.72	-9.36	19532.25	-1.51
DJ EuroStoxx50	5485.01	0.72	0.44	12.03	5482.00	0.79
FTSE 100	8705.23	0.29	-0.08	6.51	8709.00	0.27
CAC 40	8114.57	0.50	0.05	9.94	8117.00	0.50
DAX	23380.70	0.98	4.22	17.44	23357.00	0.97
IBEX 35	13354.70	1.58	3.29	15.18	13352.50	1.67
FTSE MIB	39533.71	1.31	3.09	15.64	39530.00	1.32
Nikkei	37845.42	-0.25	-3.61	-5.37	37500.00	0.81
Hang Seng	24740.57	0.05	7.88	23.39	24764.00	2.43
DFM General	5149.13	0.12	-4.33	-0.06	N/A	N/A
MSCI Tadawoul	11792.40	-0.76	-4.26	-2.03	N/A	N/A

Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	100.70	102.00	100.00	0.00	-3.73	-16.08
Solidere B	100.00	100.00	100.00	-1.86	-3.01	-16.32

MUST READ

(Source: Bloomberg/ Forexlive)

BofA Warns of Chinese Stock Correction 'Soon' in 2015 Repeat

China's stock market rally, which has seen the Hang Seng China Enterprises Index and MSCI China Index rise at least 30% since mid-January, may soon face a "meaningful correction," according to strategists at BofA Securities. The surge mirrors the 2015 boom before the market's dramatic decline, with similarities in economic rebalancing and policy cycles. The 2015 boom, which peaked in May and saw the HSCEI plunge nearly 50% by February 2016, raises concerns about the sustainability of the current rally driven by multiple-expansion. Despite this caution, Chinese stocks have benefited from technological advancements, China's push for economic growth, and fading global conviction in U.S. exceptionalism. However, BofA strategists note that mainland investors are becoming uneasy due to concerns over job growth, deflation, and weak credit demand, while geopolitical tensions remain underappreciated. Some sectors, particularly tech, are showing signs of bubbles. Although investor sentiment is currently bullish, BofA's strategists are wary of a potential correction as underlying economic challenges persist. The MSCI China index remains up more than 23% for the year despite recent fluctuations, and BofA had previously expressed optimism about the rally's prospects.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
General Mills Inc	GIS US	\$ 33.32B	19-Mar-25	Pre-mkt	0.97	1.17
Williams Sonoma	WSM US	\$ 21.21B	19-Mar-25	Pre-mkt	2.93	2.72
Lennar Corp	LEN US	\$ 31.13B	20-Mar-25	Aft-mkt	1.73	2.57
Nike Inc	NKE US	\$ 108.44B	20-Mar-25	Aft-mkt	0.32	0.98
Micron Technolog	MU US	\$ 113.33B	20-Mar-25	Aft-mkt	1.43	0.42

ECONOMIC CALENDAR

(19-03-25) JP - Core Machine Orders MoM
(19-03-25) EC - CPI YoY / MoM
(19-03-25) US - FOMC Rate Decision (Upper / Lower Bound)
(19-03-25) JP - BOJ Target Rate
(20-03-25) UK - Bank of England Bank Rate
(20-03-25) SZ - SNB Policy Rate
(20-03-25) US - Existing Home Sales

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

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