# Daily Market Brief

May 19th 2026

BANQUE BEMO

## FOREIGN EXCHANGE MARKETS (Sources: Bloomberg / Reuters)

**EUR/USD**

The EUR/USD pair trades in negative territory around 1.1645 during the early Asian trading hours on Tuesday. The Euro (EUR) softens against the US Dollar (USD) amid persistent uncertainty in the Middle East surrounding Iran. European Central Bank (ECB) Chief Economist Philip Lane is set to speak later in the day. US President Donald Trump said that he is holding off a military attack on Iran planned for Tuesday at the request of the leaders of Qatar, Saudi Arabia and the United Arab Emirates (UAE) as "serious negotiations are now taking place," per BBC. However, uncertainty remains high as Trump also warned that the US would be ready to "go forward with a full, large-scale attack on Iran on a moment's notice" if there was no acceptable deal. Signs of a prolonged conflict in the Middle East could boost a safe-haven currency such as the Greenback and create a headwind for the major pair in the near term.

**GBP/USD**

The GBP/USD pair loses ground to near 1.3415 during the Asian trading hours on Tuesday. The British Pound (GBP) edges lower against the Greenback amid UK political turmoil. Traders will take more cues from the UK employment report, which is due later on Tuesday. UK Prime Minister Keir Starmer is facing a major leadership crisis following poor local election results on May 7, triggering a wave of high-level government resignations and severe market volatility. UK gilt yields have spiked to a 28-year high amid fiscal worries, exerting some selling pressure on the Cable sentiment.

**USD/JPY**

The USD/JPY pair trades with positive bias for the seventh straight day and is currently placed around its highest level in nearly three weeks, with bulls looking to extend the momentum beyond the 159.00 mark. The US Dollar (USD) regains positive traction amid persistent geopolitical uncertainties and bets that the US Federal Reserve (Fed) will hike interest rates by the end of this year. Furthermore, economic concerns stemming from the Middle East conflict undermine the Japanese Yen (JPY) and act as a tailwind for the USD/JPY pair. The uptick seems unaffected by Japan's upbeat Q1 GDP and intervention fears, suggesting that the path of least resistance for spot prices is to the upside.

| Fx rates | Last | High | Low | % Daily | % Weekly | % YTD |
|---|---|---|---|---|---|---|
| EUR-USD | 1.1638 | 1.1662 | 1.1634 | -0.15 | -0.86 | -0.92 |
| GBP-USD | 1.3406 | 1.3437 | 1.3400 | -0.21 | -0.99 | -0.51 |
| USD-JPY | 159.00 | 159.03 | 158.75 | 0.11 | -0.86 | -1.44 |
| USD-CHF | 0.7858 | 0.7861 | 0.7840 | 0.18 | -0.66 | 0.87 |
| **Commodities** | **Last** | **High** | **Low** | **% Daily** | **% Weekly** | **% YTD** |
| Gold | 4539.63 | 4589.22 | 4531.29 | -0.59 | -3.72 | 5.10 |
| Silver | 75.91 | 78.90 | 75.72 | -2.32 | -12.20 | 5.93 |
| Crude Oil | 106.90 | 107.88 | 106.76 | -1.62 | 4.62 | 87.51 |
| Bitcoin | 76829.07 | 77352.70 | 76427.27 | -0.03 | -5.61 | -12.34 |
| Etherium | 2131.28 | 2145.14 | 2113.03 | 0.72 | -7.24 | -28.43 |

| Period | 1M | 3M | 6M | 12M |
|---|---|---|---|---|
| SOFR ($) | 3.61 | 3.64 | 3.68 | 3.79 |
| ESTR (€) | 2.51 | 2.13 | 2.29 | 2.51 |
| SONIA (£) | 3.74 | 3.83 | 4.00 | 4.29 |
| SARON (₣) | -0.05 | -0.05 | -0.02 | 0.09 |
| TONAR (¥) | 0.72 | 0.72 | 0.67 | 0.57 |

| | 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 | 3.75 |

## INTERNATIONAL EQUITY MARKETS (Sources: Bloomberg / Reuters)

**UNITED STATES OF AMERICA**

The Nasdaq Composite and the S&P 500 fell on Monday, bogged down by declines in technology, as traders monitored oil prices and bond yields while awaiting further developments with the conflict in the Middle East. Seagate led a selloff in the memory chip space after the CEO said during a JPMorgan conference that new factories would "take too long." Seagate fell nearly 7% and dragged peer Micron Technology lower by almost 6%. The comment exacerbated concerns that the memory chip industry doesn't have the capacity to meet soaring demand.

**EUROPE**

European stocks bounced back from early losses on Monday to close higher as investors reacted to the latest developments in the U.S.-Iran war, which saw oil prices rise and bonds sell off. The pan-European Stoxx 600 gained 0.3% on Monday, with major bourses in London, Paris and Frankfurt all finishing in the green. Energy names gained 2% as oil prices rose, while most other European sectors traded in positive territory.

**Asia**

Asia-Pacific markets traded mixed Tuesday as oil prices, while elevated, eased slightly following news that President Donald Trump was postponing a scheduled attack on Iran. International Brent crude futures for July delivery fell 2.04% at $109.81 per barrel as of 12:14 a.m. ET. West Texas Intermediate futures for June was 1.12% lower at $107.44 per barrel.

| Index | Close | % Daily | % M | YTD | Futures | % Change |
|---|---|---|---|---|---|---|
| DJIA | 49686.12 | 0.32 | 0.48 | 3.38 | 49656.00 | -0.20 |
| S&P | 7403.05 | -0.07 | 3.89 | 8.14 | 7401.50 | -0.29 |
| Nasdaq | 26090.73 | -0.51 | 6.63 | 12.26 | 28938.25 | -0.48 |
| DJ EuroStoxx50 | 5849.00 | 0.36 | -3.45 | 0.99 | 5852.00 | 0.14 |
| FTSE 100 | 10323.75 | 1.26 | -3.22 | 3.95 | 10326.00 | 0.11 |
| CAC 40 | 7987.49 | 0.44 | -5.19 | -1.99 | 7966.50 | 0.69 |
| DAX | 24307.92 | 1.49 | -1.60 | -0.75 | 24331.00 | 0.01 |
| IBEX 35 | 17755.10 | 0.75 | -3.95 | 2.58 | 17731.80 | 0.78 |
| FTSE MIB | 48669.05 | -0.91 | -0.41 | 8.29 | 48742.00 | 0.53 |
| Nikkei | 60815.95 | -0.58 | 3.40 | 20.12 | 60610.00 | -2.47 |
| Hang Seng | 25675.18 | 0.19 | -1.67 | 0.36 | 25657.00 | 0.18 |
| DFM General | 5609.58 | -1.74 | -6.31 | -7.24 | | |
| MSCI Tadawoul | 10956.10 | -0.11 | -4.43 | 4.44 | | |

| Leb. Mrkts | Closing Px | High | Low | % Daily | % Weekly | YTD |
|---|---|---|---|---|---|---|
| Solidere A | 70.70 | 72.00 | 70.10 | 1.00 | 1.00 | -15.83 |
| Solidere B | 70.00 | 70.00 | 70.00 | 0.00 | -0.07 | -15.36 |
| EuroBonds | 24.00 / 25.00 | | | | | |

## MUST READ (Source: Bloomberg/ Forexlive)

**Meta Moves 7,000 Workers Into AI Roles Ahead of Job Cuts**

Meta Platforms is restructuring its workforce by reassigning around 7,000 employees to artificial intelligence-related roles while preparing for major job cuts later this week. According to an internal memo from Chief People Officer Janelle Gale, employees will join newly created teams focused on AI products such as apps and AI agents. The company's new organizational structure will be "flatter" with "smaller teams," a move Meta believes will improve productivity and make work more rewarding. The restructuring reflects CEO Mark Zuckerberg's strong focus on AI as the company's top strategic priority. Meta has been redirecting resources and talent toward developing AI technologies, including large language models that support chatbots and other consumer tools. The company is investing heavily in AI infrastructure and talent in order to compete with major rivals such as Google and OpenAI. Meta is also encouraging engineers to use AI agents for coding and other workplace tasks. Zuckerberg is reportedly developing an AI-powered version of himself to communicate with employees. At the same time, Meta plans to cut approximately 10% of its workforce, or about 8,000 employees, as part of efforts to increase efficiency and balance the high costs of AI investments. Staff in North America were encouraged to work from home on the day layoffs are expected to occur.

## MAIN WEEKLY EARNINGS

| Company | Ticker | Market Cap | Date | Time | Estimate | Year Ago |
|---|---|---|---|---|---|---|
| HOME DEPOT INC | HD | $ 298.62 B | 19-May-26 | Bef-mkt | 3.42 | 3.56 |
| KEYSIGHT TECHN( | KEYS | $ 58.39 B | 19-May-26 | Aft-mkt | 2.32 | 1.70 |
| NVIDIA CORP | NVDA | $ 5384.71 B | 20-May-26 | Aft-mkt | 1.76 | 0.96 |
| LOWE'S COS INC | LOW | $ 122.10 B | 20-May-26 | Bef-mkt | 2.96 | 2.92 |
| TARGET CORP | TGT | $ 56.05 B | 20-May-26 | Bef-mkt | 1.43 | 1.30 |

## ECONOMIC CALENDAR

**(19-05-26) JN - GDP SA QoQ**
**(19-05-26) JN - GDP Deflator YoY**
**(19-05-26) AU - Westpac Consumer Conf SA MoM**
**(19-05-26) JN - Industrial Production YoY / MoM**
**(19-05-26) JN - Tertiary Industry Index MoM**
**(19-05-26) UK - ILO Unemployment Rate 3Mths**
**(19-05-26) UK - Jobless Claims Change**


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