Daily Market Brief

December 19th 2025

BANQUE BEMO

FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

EUR/USD

EUR/USD remains weaker for the fourth consecutive session, trading around 1.1720 during the Asian hours on Friday. On the daily chart, technical analysis indicates a prevailing bullish bias, as the pair remains within the ascending channel pattern. Additionally, the 14-day Relative Strength Index (RSI) stands at 62.11, signaling firm positive momentum without overbought pressure. The EUR/USD pair holds above the ascending nine- and 50-day Exponential Moving Averages (EMAs), maintaining a bullish bias.

GBP/USD

The GBP/USD pair stalls the previous day's pullback from the vicinity of mid-1.3400s and a nearly two-month high, though it struggles to attract meaningful buyers during the Asian session on Friday. Spot prices currently trade around the 1.3380-1.3385 region, up only 0.05% for the day, amid mixed cues. The British Pound (GBP) draws support from the Bank of England's (BoE) hawkish rate cut on Thursday, which, in turn, is seen as a key factor acting as a tailwind for the GBP/USD pair.

USD/JPY

The Japanese Yen (JPY) sticks to the post-Bank of Japan (BoJ) losses, which, along with a broadly firmer US Dollar (USD), assists the USD/JPY pair to hold steady above the 156.00 mark, or an over one-week high. As was widely expected, the BoJ board members raised the short-term interest rate by 25-basis-point (bps) to 0.75%, the highest in three-decades. In the accompanying policy statement, the central bank said the move should be seen as part of a gradual and cautious process rather than a shift toward restrictive policy. This seems to have tempered market bets for more BoJ rate hikes in 2025, which, in turn, undermines the JPY.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.1721	1.1729	1.1716	-0.01	-0.16	13.20
GBP-USD	1.3378	1.3387	1.3370	-0.02	0.05	6.89
USD-JPY	155.96	156.16	155.50	0.26	-0.10	0.80
USD-CHF	0.7949	0.7954	0.7940	0.09	0.11	14.15

Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	4327.96	4336.90	4309.40	-0.11	0.66	64.91
Silver	65.96	66.02	64.49	0.74	6.45	128.21
Crude Oil	56.02	56.11	55.99	-0.23	-2.47	-17.47
Bitcoin	86862.26	87506.76	85082.14	1.49	-1.81	-7.31
Etherium	2915.15	2932.90	2807.95	3.09	-5.42	-12.89

Period	1M	3M	6M	12M
SOFR ($)	3.73	3.70	3.62	3.46
ESTR (€)	1.95	1.94	1.94	1.95
SONIA (£)	3.74	3.72	3.64	3.54
SARON (₣)	-0.05	-0.05	-0.05	-0.04
TONAR (¥)	0.47	0.47	0.47	0.45

	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 S&P 500 snapped a four-day slide on Thursday, boosted by lighter-than-expected inflation data that brightened the outlook for lower interest rates in 2026 and blowout guidance from chipmaker Micron Technology. During Thursday's session, Micron was a standout winner, jumping 10% after the semiconductor play offered a strong revenue forecast for the current quarter.

EUROPE

European stocks finished in positive territory on Thursday as traders positioned for central bank decisions. Markets prepared for Europe's central banks to announce their final interest-rate decisions of the year on Thursday with the European Central Bank, Bank of England, Riksbank and Norges Bank all concluding monetary policy meetings on Thursday.

ASIA

Japan equities and bond yields jumped after the central bank raised its policy rate to a three-decade high. The decision comes as inflation has stayed above its target levels for nearly four years now. South Korea's Kospi added 0.77% and the small-cap Kosdaq jumped 1.49%.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	47951.85	0.14	3.93	12.71	47855.00	-0.28
S&P	6774.76	0.79	2.00	15.19	6781.75	0.72
Nasdaq	23006.36	1.38	1.96	19.14	25102.75	1.56
DJ EuroStoxx50	5741.71	1.06	3.60	17.27	5723.00	0.69
FTSE 100	9837.77	0.65	3.47	20.37	9807.00	0.34
CAC 40	8150.64	0.80	2.48	10.43	8140.50	0.77
DAX	24199.50	1.00	4.48	21.55	24125.00	0.73
IBEX 35	17132.60	1.15	7.82	47.76	17124.60	1.10
FTSE MIB	44463.28	0.82	4.25	30.06	44470.00	0.81
Nikkei	49001.50	1.27	2.24	24.39	49560.00	-0.12
Hang Seng	25498.13	0.57	-0.73	27.83	25711.00	0.88
DFM General	6080.64	0.19	3.92	18.09		
MSCI Tadawoul	10450.27	0.35	-5.09	-13.18		

Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	77.15	78.00	76.00	0.72	0.19	-35.71
Solidere B	76.60	77.10	75.95	5.29	3.51	-35.90
EuroBonds	23.125 / 24.125					

MUST READ

(Source: Bloomberg/ Forexlive)

BOJ Hikes Rate to Highest Level Since 1995, Signals More to Come

The Bank of Japan (BOJ) raised its benchmark interest rate by 25 basis points to 0.75%, the highest level since 1995, signaling confidence that Japan can sustain stable inflation after decades of weak price growth. The unanimous decision, widely expected by markets, reflects rising conviction that economic and inflation conditions are evolving in line with the BOJ's outlook. Policymakers emphasized that rates remain at "significantly low levels" and indicated further hikes are likely if projections are realized. Underlying inflation continues to rise moderately, with core consumer prices up 3% in November and inflation meeting or exceeding the BOJ's 2% target for 44 consecutive months. Analysts expect future rate increases roughly every six months, potentially lifting rates to around 1.5% over the next few years. Japanese government bond yields climbed, with the 10-year yield exceeding 2% for the first time since 2006, while equity markets were little changed. The yen briefly weakened, suggesting the move was largely priced in. The decision underscores a major policy shift under Governor Kazuo Ueda and leaves the BOJ as the only major central bank currently raising rates, even as others, including the US Federal Reserve, cut borrowing costs. Political pressure from yen weakness and rising living costs appears to have supported, rather than hindered, continued normalization.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
CARNIVAL CORP	CCL	$ 36.95 B	19-Dec-25	Bef-mkt	0.24	0.14
PAYCHEX INC	PAYX	$ 41.11 B	19-Dec-25	Bef-mkt	1.23	1.14
LIMONEIRA CO	LMNR	$ 0.27 B	23-Dec-25	Aft-mkt	-0.11	-0.09
PENGUIN SOLUTI	PENG	$ 1.03 B	6-Jan-26	Aft-mkt	0.43	0.49
AAR CORP	AIR	$ 3.24 B	6-Jan-26	Aft-mkt	1.04	0.90

ECONOMIC CALENDAR

(19-12-25) JN - Natl CPI YoY
(19-12-25) SW - Retail Sales MoM
(19-12-25) US - Existing Home Sales
(19-12-25) JN - BOJ Target Rate
(22-12-25) UK - GDP QoQ / YoY
(23-12-25) US - GDP Annualized QoQ
(23-12-25) CA - GDP MoM

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