Daily Market Brief

January 20th 2026

BANQUE BEMO

FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

EUR/USD

EUR/USD moves little after registering modest gains in the previous session, trading around 1.1640 during the Asian hours on Tuesday. The 14-day Relative Strength Index (RSI) momentum indicator, at 44 (neutral-to-bearish), confirms fading momentum. The technical analysis of the daily chart shows that the EUR/USD pair remains below the 50-day Exponential Moving Average (EMA) and slips under the nine-day EMA, preserving a bearish bias.

GBP/USD

GBP/USD holds ground after registering modest gains in the previous session, trading around 1.3430 during the Asian hours on Tuesday. The pair moves little as traders adopt caution ahead of labor market data from the United Kingdom (UK) due later in the day. Focus will shift toward the UK Consumer Price Index (CPI) and Retail Sales figures for December later in the week. The GBP/USD pair could further gain ground as the US Dollar (USD) comes under pressure from rising uncertainty over the US–Greenland issue.

USD/JPY

The USD/JPY pair holds steady near 158.15 during the early Asian session on Tuesday. The pair steadies as safe-haven flows offset speculations that Prime Minister Sanae Takaichi may soon call a snap election. Traders await the ADP weekly report later on Tuesday for fresh impetus. Traders will closely monitor the possibility that Takaichi may call a snap election next month to consolidate power. Her perceived preference for expansionary fiscal policies and large-scale stimulus raises concerns about Japan's public finances and could further weaken the Japanese Yen and create a tailwind for the pair.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.1665	1.1673	1.1633	0.16	0.20	-0.69
GBP-USD	1.3435	1.3450	1.3410	0.07	0.10	-0.30
USD-JPY	158.40	158.44	157.85	0.18	0.47	-1.07
USD-CHF	0.7965	0.7984	0.7959	-0.13	0.58	-0.49

Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	4711.97	4717.16	4659.65	0.88	2.74	9.09
Silver	93.91	94.73	92.62	-0.51	8.00	31.04
Crude Oil	59.58	59.69	58.70	0.24	0.13	3.76
Bitcoin	91082.06	92999.39	90783.26	-2.00	-4.68	3.92
Etherium	3137.36	3213.17	3125.19	-2.31	-4.86	5.36

Period	1M	3M	6M	12M
SOFR ($)	3.67	3.67	3.63	3.51
ESTR (€)	1.92	1.93	1.93	1.92
SONIA (£)	3.73	3.71	3.64	3.54
SARON (₣)	-0.05	-0.06	-0.06	-0.06
TONAR (¥)	0.69	0.55	0.51	0.49

	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

Stock futures on Monday night pointed to a downbeat session on Wall Street as President Donald Trump intensifies his rhetoric on Greenland, threatening to impose new tariffs on countries opposing the sale of the Danish territory to the U.S. Futures tied to the Dow Jones Industrial Average indicated a decline of 378 points at Tuesday’s open. S&P futures were set for a 0.9% drop, while Nasdaq 100 futures were poised to lose around 1.1%.

EUROPE

European stocks were lower on Monday as traders reacted to U.S. President Donald Trump’s threat to hike tariffs on European countries if they oppose his bid to buy Greenland. The pan-European Stoxx 600 was preliminarily 1.23% lower the closing bell in London, with most sectors in negative territory.

ASIA

Asia-Pacific markets were mostly lower on Monday as investors assessed renewed U.S. tariff threats tied to Greenland, raising concerns about escalating trade tensions with Europe. Hong Kong’s Hang Seng Index rose 0.1%, while mainland China’s CSI 300 slid 0.26% after heightened regulatory scrutiny following a surge in trading activity.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	49359.33	-0.17	2.54	2.70	48952.00	-1.17
S&P	6940.01	-0.06	1.54	1.38	6886.25	-1.26
Nasdaq	23515.39	-0.06	0.89	1.18	25299.25	-1.47
DJ EuroStoxx50	5925.82	-1.72	2.87	2.32	5912.00	-1.74
FTSE 100	10195.35	-0.39	3.01	2.66	10142.50	-0.62
CAC 40	8112.02	-1.78	-0.48	-0.46	8237.90	0.00
DAX	24959.06	-1.34	2.76	1.91	24910.00	-1.53
IBEX 35	17665.30	-0.26	2.89	2.07	17631.40	0.00
FTSE MIB	45195.89	-1.32	0.98	0.56	45356.00	-1.06
Nikkei	53583.57	-1.00	7.16	5.39	52780.00	-1.78
Hang Seng	26563.90	0.07	3.48	3.72	26485.00	-0.85
DFM General	6343.53	0.06	3.81	4.97		
MSCI Tadawoul	10917.04	0.04	4.47	4.06		

Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	71.80	74.00	70.50	-3.56	-5.84	-14.52
Solidere B	72.20	72.20	72.20	0.00	-3.73	-12.70
EuroBonds	28.25 / 29.25					

MUST READ

(Source: Bloomberg/ Forexlive)

Citi Downgrades European Stocks on US Friction Over Greenland

Citigroup has downgraded European equities to neutral for the first time in more than a year, citing deteriorating relations between the US and the European Union and rising tariff uncertainty linked to President Donald Trump’s push to seize Greenland. According to Citi strategists, escalating transatlantic tensions are weakening the near-term investment case for European stocks by hurting corporate earnings prospects. The downgrade comes despite Europe’s strong recent performance. European shares have outperformed US stocks over the past year, with the Stoxx Europe 600 Index up about 17% since October 2024, when Citi was among the first major banks to turn bullish on the region. However, markets fell on Monday after Trump announced new tariffs on countries supporting Greenland, prompting the EU to consider retaliatory levies on up to $108 billion of US goods. While Citi believes market reactions could be short-lived until tariff clarity improves, it now sees more attractive risk-reward elsewhere. The bank upgraded Japanese equities to overweight from neutral, citing longer-term tailwinds from reflation, earnings growth, and valuations. Emerging markets are also viewed more favorably. Although Citi still expects upside for European stocks by the end of 2026, it believes Japan and emerging markets currently offer better investment opportunities.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
US BANCORP	USB	$ 84.56 B	20-Jan-26	Bef-mkt	1.19	1.07
3M CO	MMM	$ 89.14 B	20-Jan-26	Bef-mkt	1.80	1.68
NETFLIX INC	NFLX	$ 402.12 B	20-Jan-26	Aft-mkt	0.55	0.44
UNITED AIRLINES	UAL	$ 37.19 B	20-Jan-26	Aft-mkt	2.95	3.26
JOHNSON & JOHN	JNJ	$ 526.82 B	21-Jan-26	Bef-mkt	2.48	2.04

ECONOMIC CALENDAR

(20-01-26) UK - ILO Unemployment Rate 3Mths
(20-01-26) UK - Jobless Claims Change
(20-01-26) UK - Claimant Count Rate
(21-01-26) UK - CPI MoM/YoY
(21-01-26) US - MBA Mortgage Applications
(21-01-26) US - Construction Spending MoM
(22-01-26) AU - Unemployment Rate

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