

Daily Market Brief

March 20th 2025



FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

EUR/USD

EUR/USD lost ground for the second consecutive day, but regained strength as the US Dollar was pressured by declining yields after the Federal Reserve signaled two potential rate cuts later this year. Meanwhile, the US Treasury market gained traction, and traders are awaiting comments from ECB President Christine Lagarde, as Germany's new debt restructuring plan raises expectations for economic expansion and potential shifts in ECB policy.

GBP/USD

GBP/USD remains in positive territory for the fourth successive session, trading near 1.3000 in the European morning on Thursday. The pair capitalizes on the dovish Fed outlook-led subdued US Dollar but gains appear limited ahead of UK employment data.

USD/JPY

The Japanese Yen (JPY) continues to gain traction, supported by strong wage growth expectations that may lead to higher inflation and more interest rate hikes by the Bank of Japan. Meanwhile, the US Dollar (USD) remains under pressure due to expectations of further Federal Reserve policy easing and geopolitical uncertainties, driving the USD/JPY pair closer to the 148.00 level.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.0894	1.0917	1.0890	-0.08	0.39	5.22
GBP-USD	1.2990	1.3015	1.2985	-0.10	0.29	3.79
USD-JPY	148.29	148.87	148.18	-0.27	-0.32	6.01
USD-CHF	0.8767	0.8786	0.8756	-0.13	0.66	3.50
Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	3049.54	3057.49	3045.03	0.06	2.02	16.20
Silver	33.82	33.95	33.73	0.08	-0.13	17.03
Crude Oil	67.58	67.58	67.29	0.63	1.55	-4.63
Bitcoin	85768.92	87469.64	85370.51	0.46	1.63	-8.48
Etherium	2012.39	2071.07	2007.53	-1.09	3.52	-39.87
Period	1M	3M	6M	12M		
SOFR (\$)	4.32	4.30	4.22	4.07		
ESTR (€)	2.10	2.31	2.20	2.10		
SONIA (£)	4.45	4.39	4.31	4.20		
SARON (F)	0.27	0.27	0.25	0.25		
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 rallied on Wednesday, with the S&P 500 clawing back more of the rout since late February that took the benchmark briefly into correction territory, as the Federal Reserve forecast it would still cut interest rates two times in 2025.

EUROPE

European markets were mixed on Wednesday, as investors reacted to a historic policy reform in Germany and developments on a ceasefire in Ukraine, while awaiting key monetary policy updates. Trump on Wednesday said he also had a "very good" call with Ukrainian President Volodymyr Zelenskyy.

ASIA

Asia-Pacific markets traded mixed Thursday as China's central bank kept interest rates steady, after the U.S. Federal Reserve kept benchmark rates unchanged overnight. The People's Bank of China kept the 1-year loan prime rate at 3.1% and the 5-year LPR at 3.6%, where they have been since a quarter-percentage-point cut in October. Japan markets were closed for a holiday.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	41964.63	0.92	-5.01	-1.36	42105.00	1.21
S&P	5675.29	1.08	-7.23	-3.51	5701.50	1.49
Nasdaq	17750.79	1.41	-11.08	-8.08	19854.00	1.83
DJ EuroStoxx50	5507.36	0.41	0.85	12.49	5502.00	0.31
FTSE 100	8706.66	0.02	0.50	6.53	8702.00	-0.03
CAC 40	8171.47	0.70	0.60	10.71	8173.50	0.70
DAX	23288.06	-0.40	4.36	16.97	23285.00	-0.48
IBEX 35	13408.10	0.40	3.40	15.64	13416.90	0.48
FTSE MIB	39712.66	0.45	3.83	16.17	39840.00	0.43
Nikkei	37751.88	-0.25	-2.64	-5.37	37580.00	-0.11
Hang Seng	24771.14	-1.82	7.72	21.23	24324.00	-1.84
DFM General	5117.11	0.48	-4.44	-0.33	N/A	N/A
MSCI Tadawoul	11709.43	-0.70	-5.48	-2.72	N/A	N/A

Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	99.85	101.80	99.80	-0.84	-3.99	-16.79
Solidere B	101.50	102.00	100.00	1.50	-0.68	-15.06

MUST READ

(Source: Bloomberg/ Forexlive)

Trump Says Fed Should Cut Rates as Tariff Push Heats Up

President Donald Trump has called for the Federal Reserve to cut interest rates, diverging from the US central bank's stance as officials assess the economic impact of his tariff policies. Trump argued that reducing rates would benefit the economy as tariffs start to affect it. His comments came ahead of the administration's plan to introduce new tariffs on April 2, although the details remain unclear. Federal Reserve Chair Jerome Powell recently indicated that tariffs are contributing to goods inflation but may not have long-lasting effects. The Fed kept its interest rate steady in its latest meeting, with Powell acknowledging tariff uncertainty. Trump's push for rate cuts comes amid mixed economic signals, including high inflation and a cooling housing market due to elevated interest rates. While Trump has at times criticized the Fed's actions, he has also stated that Powell should complete his term as Fed chair. His administration's economic advisers, however, advocate for the Fed's independence, emphasizing the importance of public confidence in the financial system. Despite differences, Trump has expressed his right to influence interest rate decisions, which traditionally fall under the Fed's independence. Meanwhile, his economic advisers project stronger growth than the Fed's 1.7% forecast.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
Jabil Inc	JBL US	\$ 15.23B	20-Mar-25	Pre-mkt	1.83	1.68
Nike Inc	NKE US	\$ 107.96B	20-Mar-25	Aft-mkt	0.32	0.98
Micron Technolog	MU US	\$ 113.71B	20-Mar-25	Aft-mkt	1.43	0.42
Lennar Corp	LEN US	\$ 31.61B	20-Mar-25	Aft-mkt	1.73	2.57
Fedex Corporatio	FDX US	\$ 59.52B	20-Mar-25	Aft-mkt	4.57	3.86

ECONOMIC CALENDAR

(20-03-25) UK - Bank of England Bank Rate
(20-03-25) SZ - SNB Policy Rate
(20-03-25) US - Existing Home Sales
(21-03-25) JP - Natl CPI YoY
(21-03-25) CA - Retail Sales MoM
(24-03-25) EC - HCOB Eurozone Manufacturing / Services / Composite PMI
(24-03-25) UK - S&P Global UK Manufacturing / Services / Composite PMI

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