# Daily Market Brief

October 21st 2025

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

**EUR/USD**

The EUR/USD pair extends its two-day downside move to near 1.1630 during the Asian trading session on Tuesday. The major currency pair faces selling pressure as the US Dollar (USD) gains on hopes that the ongoing United States (US) government shutdown will end this week. Another reason behind strength in the US Dollar is the growing expectations among market participants that the US and China will reach a consensus when President Donald Trump and Chinese leader Xi Jinping will meet later this month at the Asia-Pacific Economic Cooperation meeting in South Korea.

**GBP/USD**

The GBP/USD pair extends the decline to near 1.3390 during the Asian trading hours on Tuesday. The US Dollar strengthens against the Pound Sterling on easing US-China trade tensions. Traders will closely watch the UK September Consumer Price Index (CPI) inflation data, which is due later on Wednesday. Trump's softened tone and his confirmation to meet Chinese President Xi Jinping provide some support to the Greenback and create a headwind for the major pair.

**USD/JPY**

The Japanese Yen (JPY) extends its steady intraday descent and drops to a multi-day low against a broadly firmer US Dollar (USD) after lawmakers in the Lower House have voted for Sanae Takaichi to become Japan's first female Prime Minister. This, in turn, fuels speculations about more fiscal stimulus and that the Bank of Japan (BoJ) could delay raising interest rates further, which, in turn, weighs on the JPY.

| Fx rates | Last | High | Low | % Daily | % Weekly | % YTD |
|---|---|---|---|---|---|---|
| EUR-USD | 1.1632 | 1.1655 | 1.1632 | -0.09 | 0.22 | 12.34 |
| GBP-USD | 1.3386 | 1.3416 | 1.3386 | -0.14 | 0.50 | 6.95 |
| USD-JPY | 151.43 | 151.43 | 150.47 | 0.45 | 0.27 | 3.81 |
| USD-CHF | 0.7934 | 0.7934 | 0.7914 | 0.11 | 0.96 | 14.37 |
| **Commodities** | **Last** | **High** | **Low** | **% Daily** | **% Weekly** | **% YTD** |
| Gold | 4333.00 | 4375.39 | 4331.66 | -0.53 | 4.59 | 65.10 |
| Silver | 51.90 | 52.62 | 51.61 | -1.05 | 0.90 | 79.57 |
| Crude Oil | 57.38 | 57.47 | 57.22 | -0.24 | -2.25 | -16.23 |
| Bitcoin | 107877.34 | 111287.39 | 107588.65 | -2.93 | -0.01 | 15.11 |
| Etherium | 3864.05 | 4006.43 | 3842.27 | -3.40 | 0.29 | 15.47 |

| Period | 1M | 3M | 6M | 12M |
|---|---|---|---|---|
| SOFR ($) | 4.02 | 3.87 | 3.70 | 3.47 |
| ESTR (€) | 1.84 | 1.92 | 1.89 | 1.84 |
| SONIA (£) | 3.96 | 3.93 | 3.85 | 3.73 |
| SARON (₣) | -0.04 | -0.06 | -0.07 | -0.11 |
| TONAR (¥) | 0.47 | 0.47 | 0.47 | 0.41 |

| | Rates |
|---|---|
| U.S. Federal Fund Target Rate | 4.25 |
| 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 | 4.00 |

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

**UNITED STATES OF AMERICA**

Stocks moved higher on Monday, thanks to a rise in Apple shares, as investors looked ahead to a possible end to the ongoing U.S. government shutdown as well as a slew of big-name earnings reports and inflation data expected in the coming days.

**EUROPE**

European stocks preliminarily closed in positive territory on Monday, with the region's defense stocks leading gains after a volatile few trading days. Most indexes ended the session in positive territory, with Germany's DAX and Italy's FTSE MIB leading the way and closing 1.9% and 1.5% higher, respectively. The U.K.'s FTSE index climbed 0.5% and France's CAC 40 notched 0.4% upwards.

**ASIA**

South Korea's Kospi index jumped more than 2% Tuesday to hit a sixth consecutive record high, building on a rally spurred by optimism around an impending trade deal with the U.S. Broader Asia-Pacific markets also opened higher, tracking Wall Street gains.

| Index | Close | % Daily | % M | YTD | Futures | % Change |
|---|---|---|---|---|---|---|
| DJIA | 46706.58 | 1.12 | 0.84 | 9.78 | 46872.00 | -0.02 |
| S&P | 6735.13 | 1.07 | 1.06 | 14.51 | 6771.25 | 1.09 |
| Nasdaq | 22990.54 | 1.37 | 1.59 | 19.06 | 25296.75 | 1.30 |
| DJ EuroStoxx50 | 5680.93 | 1.31 | 4.08 | 16.03 | 5700.00 | 1.50 |
| FTSE 100 | 9403.57 | 0.52 | 2.03 | 15.06 | 9471.50 | 0.89 |
| CAC 40 | 8206.07 | 0.39 | 4.49 | 11.18 | 8224.00 | 0.38 |
| DAX | 24258.80 | 1.80 | 2.62 | 21.85 | 24407.00 | 1.97 |
| IBEX 35 | 15828.30 | 1.46 | 3.72 | 36.51 | 15797.20 | 1.56 |
| FTSE MIB | 42392.36 | 1.52 | 0.19 | 24.00 | 42115.00 | 1.53 |
| Nikkei | 49185.50 | 0.32 | 9.54 | 23.69 | 49520.00 | 3.87 |
| Hang Seng | 25858.83 | 1.56 | -1.06 | 30.92 | 26256.00 | 4.20 |
| DFM General | 5954.79 | -0.62 | -1.14 | 15.43 | | |
| MSCI Tadawoul | 11644.55 | -0.39 | 7.73 | -3.26 | | |

| Leb. Mrkts | Closing Px | High | Low | % Daily | % Weekly | YTD |
|---|---|---|---|---|---|---|
| Solidere A | 79.00 | 79.05 | 78.00 | -3.95 | -2.47 | -34.17 |
| Solidere B | 79.00 | 79.00 | 78.25 | -2.47 | 1.22 | -33.89 |
| EuroBonds | 23.25 / 24.25 | | | | | |

## MUST READ
*(Source: Bloomberg/ Forexlive)*

**Trump Secures Rare Earth Deal with Australia Ahead of Meeting with China**

President Trump and Australian Prime Minister Anthony Albanese signed a critical minerals deal aimed at strengthening U.S. access to Australian rare earths, directly countering China's recent restrictions on rare earth exports. The agreement marks a strategic move ahead of Trump's anticipated meeting with Chinese President Xi Jinping in South Korea next week. Trump's upcoming diplomatic tour across Asia—including stops in Malaysia, Japan, and the APEC summit in South Korea—underscores his efforts to build alliances with China's regional rivals and pressure Beijing on trade and security issues. Key concerns in the U.S./China dialogue include soybean imports, fentanyl control, Taiwan, AI leadership, and China's rare earth dominance, where it controls about 90% of the global market. Trump threatened triple-digit tariffs if China continues limiting exports, but analysts caution that U.S. efforts to become self-sufficient in rare earths are still years away. In Malaysia, Trump will attend an ASEAN summit, while Treasury Secretary Scott Bessent will meet Chinese officials, following a recent "frank and detailed" meeting in Washington. Trump will also meet with leaders in Japan before the APEC summit in South Korea, where he and Xi are scheduled to meet. Both countries are using diplomatic efforts to shape the agenda for what could be a pivotal meeting.

## MAIN WEEKLY EARNINGS

| Company | Ticker | Market Cap | Date | Time | Estimate | Year Ago |
|---|---|---|---|---|---|---|
| COCA-COLA CO/T | KO | $ 294.54 B | 21-Oct-25 | Bef-Mkt | 0.78 | 0.77 |
| GENERAL MOTOR | GM | $ 55.22 B | 21-Oct-25 | Bef-Mkt | 2.27 | 2.96 |
| PHILIP MORRIS IN | PM | $ 246.03 B | 21-Oct-25 | Bef-Mkt | 2.11 | 1.91 |
| GENERAL ELECTRI | GE | $ 320.97 B | 21-Oct-25 | Bef-Mkt | 1.45 | 1.15 |
| NETFLIX INC | NFLX | $ 526.30 B | 21-Oct-25 | Aft-Mkt | 7.01 | 5.55 |

## ECONOMIC CALENDAR

**(21-10-25) CA - CPI YoY/MoM**
**(22-10-25) UK - CPI YoY/MoM**
**(22-10-25) US - MBA Mortgage Applications**
**(23-10-25) US - Initial Jobless Claims**
**(23-10-25) EC - Consumer Confidence**
**(24-10-25) JN - Natl CPI YoY**
**(24-10-25) JN - S&P Global Japan PMI Composite / Manufacturing / Services**

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

Disclaimer: This report is published for information purposes only. The information herein has been compiled from, or based upon sources we believe to be reliable, but we do not guarantee or accept responsibility for its completeness and accuracy. This document should not be construed as a solicitation to take part in any investment, or as constituting any representation or warranty on our part. The investment risks described herein are not purported to be exhaustive, any person considering an investment should seek independent advice on the suitability or otherwise of the particular investment. Investment, Capital Market and Treasury products are subject to Investment risk, including possible loss of principal amount invested. Past performance is not indicative of future results: prices can go up or down. Investors investing in investments and/or treasury products denominated in foreign (non-local) currency should be aware of the risk of exchange rate fluctuations that may cause loss of principal when foreign currency is converted to the investor's home currency. Client understands that it is his/her responsibility to seek legal and/or tax advice regarding the legal and tax consequences of his/her investment transactions. The consequences of any action taken on the basis of finformation contained herein are solely the responsibility of the recipient.