Daily Market Brief

January 24th 2025

FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

EUR/USD

The EUR/USD pair sees some buying interest at 1.0450 during the early Asian session, supported by a weakening US Dollar and expectations of interest rate cuts from both the ECB and US Federal Reserve. US President Trump's comments at the World Economic Forum about wanting lower interest rates, alongside ECB signals of potential rate cuts, are influencing market sentiment and driving the USD lower.

GBP/USD

GBP/USD extends gains, reaching around 1.2400, largely due to US President Trump's comments urging interest rate cuts by the Federal Reserve. However, the pair's upside could be limited by weaker UK economic data and expectations for a 25 basis point rate cut by the Bank of England in February.

USD/JPY

The Japanese Yen (JPY) strengthens after the Bank of Japan (BoJ) raises interest rates by 25 basis points to 0.5%, the highest since 2008, while maintaining a hawkish stance. This, along with expectations of further BoJ tightening and the potential for Federal Reserve rate cuts, helps the JPY outperform, driving USD/JPY down to the 155.00 level.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.0457	1.0470	1.0412	0.40	1.79	0.99
GBP-USD	1.2398	1.2418	1.2349	0.36	1.88	-0.94
USD-JPY	155.40	156.41	154.85	-0.42	0.58	1.16
USD-CHF	0.9050	0.9077	0.9041	-0.27	1.11	0.27
Commodities	**Last**	**High**	**Low**	**% Daily**	**% Weekly**	**% YTD**
Gold	2773.73	2778.28	2753.69	0.68	2.61	5.69
Silver	30.83	30.87	30.41	1.25	1.54	6.69
Crude Oil	74.58	74.63	74.01	-0.05	-4.20	4.67
Bitcoin	104985.68	105321.26	102766.51	1.80	1.38	12.03
Etherium	3392.87	3419.75	3247.67	4.42	5.05	1.39

Period	1M	3M	6M	12M
SOFR ($)	4.31	4.30	4.26	4.21
ESTR (€)	2.23	2.57	2.40	2.23
SONIA (£)	4.58	4.51	4.43	4.32
SARON (F)	0.44	0.34	0.25	0.17
TONAR (¥)	0.22	0.22	0.22	0.13

	Rates
U.S. Federal Fund Target Rate	4.50
ECB Main Refinancing Operation Announcement Rate	3.15
ECB Deposit Facility Announcement Rate	3.00
ECB Marginal Lending Facility Announcement Rate	3.40
BOE Official Bank Rate	4.75

INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

The S&P 500 rallied to record highs on Thursday after President Donald Trump called for lower interest rates and cheaper oil prices. The stock market has gotten a boost this week from excitement about potential tax cuts and deregulation under Trump, as well as signs of resilient economic growth.

EUROPE

European stocks closed higher on Thursday, on the back of positive momentum throughout the week. The U.K.'s largest supermarket chains Sainsbury's has proposed to cut its headcount by about 3,000 roles due to a "particularly challenging cost environment".

ASIA

Asia-Pacific markets climbed Friday, after the S&P 500 hit record highs overnight as U.S. President Donald Trump called for lower interest rates and cheaper oil prices. The Bank of Japan raised policy rate by 25 basis points to 0.5% — the highest since 2008 and in line with economists' expectations. Following the decision, the Japanese yen weakened marginally to trade at 155.18

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	44565.07	0.92	2.93	4.75	44726.00	0.85
S&P	6118.71	0.53	1.30	4.03	6146.00	0.42
Nasdaq	20053.68	0.22	0.11	3.85	21998.00	-0.01
DJ EuroStoxx50	5217.50	0.22	7.40	6.57	5258.00	0.67
FTSE 100	8565.20	0.23	5.26	4.80	8569.50	0.35
CAC 40	7892.61	0.70	8.37	6.94	7952.50	1.20
DAX	21411.53	0.74	7.87	7.55	21617.00	1.11
IBEX 35	11991.50	0.92	4.51	3.42	12032.40	1.13
FTSE MIB	36112.84	0.72	7.03	5.64	36290.00	0.70
Nikkei	39931.98	-0.07	2.29	0.09	39940.00	0.91
Hang Seng	19700.56	1.92	-0.10	0.09	20112.00	1.33
DFM General	5248.56	0.16	3.47	1.90	N/A	N/A
MSCI Tadawoul	12354.04	-0.07	4.17	2.64	N/A	N/A

Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	114.30	115.90	112.00	2.05	-0.35	-4.75
Solidere B	118.00	118.00	118.00	3.24	-1.67	-1.26

MUST READ

(Source: Bloomberg/ Forexlive)

Trump orders crypto working group to draft new regs

President Trump signed an executive order aimed at boosting the U.S. cryptocurrency industry, marking a sharp contrast to President Biden's crackdown on digital assets. The order establishes a crypto working group, led by White House crypto czar David Sacks, to propose a regulatory framework and study the creation of a national crypto stockpile. The group will include top officials from the Treasury, Justice, and Securities and Exchange Commissions, with a report due in 180 days. Trump's order bans the creation of a central-bank digital currency, a move that was not a serious effort under Biden anyway. The working group will also focus on stablecoin regulations and the potential for the U.S. government to hold onto seized cryptocurrencies, rather than selling them. While Trump had previously promised to create a Bitcoin "strategic reserve," the order stops short of this, opting for further study. The order reflects Trump's commitment to making the U.S. the global crypto capital and follows his previous appointments, including Paul Atkins to lead the SEC and the formation of a new SEC task force on crypto regulation. Industry experts are optimistic about the policy shift but acknowledge that regulatory changes will take time, requiring bipartisan support.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
American Express	AXP US	$ 229.56B	24-Jan-25	Pre-mkt	3.04	2.62
Verizon Communi	VZ US	$ 164.93B	24-Jan-25	Pre-mkt	1.09	1.08
AT&T Inc	T US	$ 161.66B	27-Jan-25	Pre-mkt	0.50	0.54
Sofi Technologies	SOFI US	$ 19.57B	27-Jan-25	Pre-mkt	0.05	0.02
Boeing Company	BA US	$ 133.37B	28-Jan-25	Pre-mkt	-1.73	-0.47

ECONOMIC CALENDAR

(24-01-25) JP - Natl CPI YoY
(24-01-25) FR - HCOB France Manufacturing PMI
(24-01-25) US - S&P Global US Manufacturing PMI
(24-01-25) US - University of Michigan Expectations
(24-01-25) JP - BoJ Target Rate
(24-01-25) US - S&P Global US Manufacturing / Services / Composite PMI
(27-01-25) DE - IFO Business Climate

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