Daily Market Brief

February 25th 2025

BANQUE BEMO

FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

EUR/USD

The EUR/USD remained stagnant near the 1.0500 level as investors focused on upcoming US inflation data, particularly the PCE inflation report, amid concerns over persistent inflation and its impact on Federal Reserve rate cuts. President Trump's renewed trade war threats added to the uncertainty, while Germany's CPI and retail sales data also loom, though the primary market focus will be on US inflation figures.

GBP/USD

GBP/USD fluctuated on Monday, reaching a 10-week high before falling back near 1.2630, unable to regain the 1.270 mark and dropping below the 200-day EMA. Market focus remains on US PCE inflation data, with concerns over persistent inflation and trade war threats from President Trump, while the Bank of England's upcoming policymaker speeches are unlikely to significantly impact global markets.

USD/JPY

The Japanese Yen (JPY) strengthened against the US Dollar, pulling the USD/JPY pair below the mid-149.00s, supported by strong services inflation data and expectations of further interest rate hikes by the Bank of Japan (BoJ). A softer risk sentiment and rising USD selling also contributed to JPY gains, though concerns over BoJ bond-buying plans may limit aggressive JPY bullishness.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.0476	1.0480	1.0460	0.08	0.29	1.18
GBP-USD	1.2630	1.2639	1.2616	0.04	0.13	0.91
USD-JPY	149.75	150.30	149.46	0.02	1.54	4.98
USD-CHF	0.8972	0.8978	0.8966	0.01	0.68	1.14
Commodities	**Last**	**High**	**Low**	**% Daily**	**% Weekly**	**% YTD**
Gold	2936.10	2953.82	2933.69	-0.53	0.00	11.87
Silver	32.29	32.48	32.24	-0.18	-1.80	11.72
Crude Oil	71.07	71.26	70.71	0.52	-1.06	0.30
Bitcoin	91231.78	93966.85	90942.70	-2.90	-7.03	-2.65
Etherium	2482.23	2639.12	2459.22	-5.85	-8.99	-25.83

Period	1M	3M	6M	12M
SOFR ($)	4.32	4.32	4.28	4.19
ESTR (€)	2.10	2.40	2.26	2.10
SONIA (£)	4.46	4.44	4.35	4.23
SARON (F)	0.40	0.27	0.21	0.15
TONAR (¥)	0.45	0.30	0.26	0.17

	Rates
U.S. Federal Fund Target Rate	4.50
ECB Main Refinancing Operation Announcement Rate	2.9
ECB Deposit Facility Announcement Rate	2.75
ECB Marginal Lending Facility Announcement Rate	3.15
BOE Official Bank Rate	4.50

INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

The S&P 500 slid Monday as the market failed to bounce back from Friday's steep sell-off. Concerns of President Donald Trump's trade war against major U.S. trading partners continued to weigh upon sentiment. The January reading of the personal consumption expenditures price index comes out Friday, which is the Federal Reserve's preferred measure of inflation.

EUROPE

European stocks are expected to open in mixed territory Tuesday as a lukewarm mood pervades global markets. On the data front, a more complete picture of Germany's fourth-quarter gross domestic product data will be released on Tuesday.

ASIA

Asia-Pacific markets traded lower Tuesday after Wall Street fell overnight as tariff threats by U.S. President Donald Trump stoked a risk-off mood, while investors also assessed the rate decision by the Bank of Korea.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	43461.21	0.08	-2.17	2.16	43566.00	0.19
S&P	5983.25	-0.50	-1.93	1.73	6005.75	-0.37
Nasdaq	19286.93	-1.21	-3.34	-0.12	21423.25	-1.18
DJ EuroStoxx50	5453.76	-0.39	4.49	11.39	5446.00	-0.62
FTSE 100	8658.98	0.00	1.84	5.95	8630.00	-0.18
CAC 40	8090.99	-0.78	2.06	9.62	8086.50	-0.79
DAX	22425.93	0.62	4.82	12.64	22418.00	0.45
IBEX 35	13012.90	0.47	8.60	12.23	13043.30	0.49
FTSE MIB	38472.56	0.13	6.28	12.54	38550.00	0.11
Nikkei	38776.94	-1.39	-4.24	-4.15	38240.00	-1.57
Hang Seng	23341.61	-1.41	14.68	14.72	22986.00	-1.91
DFM General	5334.87	-0.18	1.91	3.23	N/A	N/A
MSCI Tadawoul	12319.46	-0.55	-0.28	2.35	N/A	N/A

Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	108.80	110.50	105.10	-1.09	0.93	-9.33
Solidere B	110.00	110.00	110.00	4.46	-0.63	-7.95

MUST READ

(Source: Bloomberg/ Forexlive)

Trump says Canada, Mexico tariffs moving 'forward' on schedule

US President Donald Trump confirmed that the tariffs he planned on Canada and Mexico will proceed as scheduled, despite ongoing negotiations. These tariffs, initially announced early in his presidency, were aimed at curbing illegal immigration and the flow of fentanyl. Trump had paused their implementation for a month to allow for talks, but the pause is set to end next Tuesday. Mexican President Claudia Sheinbaum expressed hope for a deal to avoid the tariffs and suggested potential levies on Chinese goods to facilitate an agreement. She also mentioned Mexico's willingness to review its trade agreement with the US and Canada ahead of the 2026 deadline. Canadian Foreign Minister Melanie Joly acknowledged the ongoing threat of tariffs. Meanwhile, in a meeting with French President Emmanuel Macron, Trump reiterated the need for "reciprocity" in trade, signaling that the US would respond similarly to tariffs imposed by other nations. Macron called for fair competition in trade, emphasizing the interdependence of the US and European economies and advocating for increased investments. Additionally, Trump announced plans for "reciprocal tariffs" tailored to individual countries. Macron, however, cautioned against engaging in a trade war with both China and Europe simultaneously, stressing the importance of strong transatlantic relations and long-term peace.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
Home Depot	HD US	$ 379.88B	25-Feb-25	Pre-mkt	3.02	2.82
Axon Enterprise	AXON US	$ 38.11B	25-Feb-25	Aft-mkt	1.40	1.12
Workday Inc	WDAY US	$ 69.64B	25-Feb-25	Aft-mkt	1.78	1.57
Cava Group Inc	CAVA US	$ 11.94B	25-Feb-25	Aft-mkt	0.07	0.02
Lucid Group Inc	LCID US	$ 8.37B	25-Feb-25	Aft-mkt	-0.25	-0.29

ECONOMIC CALENDAR

(25-02-25) US - Conf. Board Consumer Confidence
(26-02-25) US - MBA Mortgage Applications
(27-02-25) US - GDP Annualized QoQ
(27-02-25) US - Durable Goods Orders
(27-02-25) US - Initial Jobless Claims
(28-02-25) JP - Tokyo CPI YoY
(28-02-25) DE - Unemployment Rate SA

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