

Daily Market Brief

October 5th 2026



FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

EUR/USD
The EUR/USD pair loses momentum to around 1.1245 during the early Asian session on Monday. The Euro (EUR) weakens against the US Dollar (USD) amid fears over France's shaky fiscal trajectory. The US ISM Services Purchasing Managers Index (PMI) report is due later on Monday. French Prime Minister Sébastien Lecornu's minority government unveiled a highly contentious €54 billion belt-tightening draft budget for 2027 to stave off a catastrophic downgrade or sovereign default. Nonetheless, analysts doubt that the minority government in France would be able pass the budget at Parliament without concessions.

GBP/USD
GBP/USD inches lower after posting modest gains in the previous day, trading around 1.3240 during Asian hours on Monday. The currency pair is under downward pressure as the US Dollar (USD) gains strength ahead of the upcoming US ISM Services Purchasing Managers Index release. However, market participants have scaled back expectations for an upcoming Federal Reserve (Fed) interest rate hike, driven by recent softness in US employment data. Financial markets are now pricing in approximately a 77.9% probability that the Fed will leave benchmark rates unchanged at its October policy meeting, up from 74% prior to the jobs report.

USD/JPY
The USD/JPY pair kicks off the new week on a subdued note, stalling Friday's modest bounce from sub-157.00 levels, touched in reaction to the weak US employment details. Spot prices, however, remain confined in a familiar range held over the past week or so and currently trade around 157.70-157.75 region, nearly unchanged for the day. The closely-watched US Nonfarm Payrolls (NFP) report showed that the economy added only 29K jobs in September, compared to the previous month's downwardly revised reading of 133K. Adding to this, the Unemployment Rate edged higher to 4.2%, and wage growth also cooled to the 3% YoY rate. This comes on top of soft US PCE data and further eased pressure on the Federal Reserve (Fed) to hike interest rates later this month.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.1189	1.1261	1.1161	-0.59	-1.60	-4.74
GBP-USD	1.3205	1.3250	1.3190	-0.27	-0.38	-2.00
USD-JPY	158.02	158.17	157.44	0.11	-0.40	-0.83
USD-CHF	0.8301	0.8316	0.8278	0.16	0.24	-4.52
Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	4136.35	4163.23	4124.88	-0.12	0.50	-4.24
Silver	60.93	61.67	60.61	0.94	0.46	-14.98
Crude Oil	90.14	91.88	89.67	-1.06	-2.66	58.36
Bitcoin	85678.96	86978.42	85396.17	-0.16	2.46	-2.25
Etherium	2702.00	2738.65	2693.96	-0.14	0.78	-9.26
Period	1M	3M	6M	12M		
SOFR (\$)	3.91	4.03	4.19	4.48		
ESTR (€)	2.90	2.50	2.65	2.90		
SONIA (£)	3.74	3.92	4.11	4.44		
SARON (F)	-0.05	-0.03	0.00	0.12		
TONAR (¥)	1.05	0.99	0.88	0.75		
						Rates
U.S. Federal Fund Target Rate						4.00
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						3.75

INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA
Stocks rose Friday following a surprisingly weak jobs report that raised hopes the Federal Reserve will hold rates steady in October. The Dow Jones Industrial Average added 250 points, or 0.5%, to close at 51,176.46. The S&P 500 gained 0.7%, rising 56.27 to 7,722.72, while the Nasdaq Composite climbed 1.2%, adding 319.27 to 27,190.86, hitting an all-time high earlier in the day before pulling back as Treasury yields reversed course. Despite Friday's rally, the Dow was down for the week by about 1.3%. The S&P was little changed, off 0.3%, while the Nasdaq was up 0.6% on the week, with Friday marking its third straight advance.

EUROPE
European stocks rebounded on Friday, after a bond-driven selloff, as retreating oil prices and softer-than-expected US jobs data eased expectations for near-term rate hikes by the Federal Reserve. The pan-European STOXX 600 closed 0.8% higher, after touching its lowest in more than three months on Thursday. US job growth slowed more than expected in September and figures for the prior two months were revised sharply downward, prompting traders to pull back on US rate hike bets for October.

Asia
Asia-Pacific markets traded higher early Monday. Japan's Nikkei 225 added over 1.7%, while the broader Topix rose 0.79%. Australia's benchmark S&P/ASX 200 was 0.53% higher. Markets in mainland China and South Korea were closed for holidays.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	51176.96	0.49	-4.19	6.48	51423.00	-0.17
S&P	7722.72	0.73	0.05	12.81	7769.50	-0.15
Nasdaq	27190.86	1.19	2.58	16.99	31054.50	-0.11
DJ EuroStoxx50	6238.50	1.02	-2.42	7.72	6240.00	-0.14
FTSE 100	10461.95	0.32	-3.41	5.34	10538.00	0.47
CAC 40	7897.19	0.79	-4.61	-3.10	7870.00	0.77
DAX	25231.20	1.17	-3.13	3.02	25369.00	-0.06
IBEX 35	19085.30	0.42	-4.81	10.27	19035.10	0.07
FTSE MIB	50483.21	0.49	-3.10	12.32	50285.00	0.50
Nikkei	68309.46	2.02	7.18	38.44	70010.00	1.79
Hang Seng	23972.29	-0.07	-6.61	-6.54	23918.00	0.22
DFM General	5901.32	-0.49	0.28	-2.41		
MSCI Tadawoul	10505.84	1.09	-4.78	0.14		
Leb. Mkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	72.10	73.00	68.05	3.15	0.14	-14.17
Solidere B	73.00	73.00	73.00	0.00	0.07	-11.73
EuroBonds	27.625 / 28.625					

MUST READ

(Source: Bloomberg/Forexlive)

Euro Falls to 17-Month Low on Region's Political, Fiscal Risks

The euro fell to its weakest level since May 2025, declining as much as 0.8% to \$1.1161, amid growing concerns about political and fiscal instability in Europe. France is a major source of uncertainty, with investors worried about its political outlook ahead of the 2027 elections and the limited willingness of opposition parties to compromise with President Emmanuel Macron's administration. French government bond risk has also increased, with the yield premium over German bonds reaching its highest level since 2011. Reports that Spain could face an early election added to broader concerns about political stability and fiscal conditions across the eurozone. Hedge funds and other short-term investors increased euro selling, while options-related trading amplified the currency's decline. Analysts at Lombard Odier and JPMorgan warned that the euro may not yet fully reflect the risks associated with widening French bond spreads and fiscal concerns. The currency also weakened against the Swiss franc. At the same time, the US dollar strengthened as investors anticipated further Federal Reserve interest-rate increases to control inflation. The stronger dollar, combined with concerns about highly indebted European economies, has added further downward pressure on the euro.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
RPM INTERNATIO	RPM	\$ 12.66 B	6-Oct-26	Bef-mkt	1.95	1.88
CITIGROUP INC	C	\$ 215.55 B	13-Oct-26	Bef-mkt	2.68	1.85
UNITEDHEALTH G	UNH	\$ 333.82 B	13-Oct-26	Bef-mkt	4.13	2.92
JPMORGAN CHAS	JPM	\$ 883.53 B	13-Oct-26	Bef-mkt	5.87	5.07
JOHNSON & JOH	JNJ	\$ 617.01 B	13-Oct-26	Bef-mkt	2.48	2.80

ECONOMIC CALENDAR

(05-10-26) AU - Melbourne Institute Inflation MoM
(05-10-26) JN - S&P Global UK Services PMI
(05-10-26) US - ISM Services Index
(06-10-26) US - Trade Balance
(07-10-26) US - MBA Mortgage Applications
(08-10-26) JN - BoP Current Account Balance
(08-10-26) US - Initial Jobless Claims

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