# Daily Market Brief

October 16th 2025

BANQUE BEMO

## FOREIGN EXCHANGE MARKETS

*(Sources: Bloomberg / Reuters)*

### EUR/USD

The EUR/USD pair extends its two-day upside move to near 1.1670 during the Asian trading session on Thursday. The major currency pair trades higher as the US Dollar (USD) continues to face selling pressure amid firm Federal Reserve (Fed) dovish bets and ongoing United States (US)-China trade tensions. In the Eurozone, chances that French Prime Minister Sébastien Lecornu would survive the no-confidence vote by the cabinet have increased as he has suspended the controversial pension reform until at least after the 2027 presidential elections.

### GBP/USD

GBP/USD found room on the high side on Wednesday, clawing its way back to the 1.3400 handle. A raft of mid-tier United Kingdom (UK) economic releases are due on Thursday, but the American side of the data docket remains tepid amidst the ongoing US government shutdown that has crimped the flow of key data releases.

### USD/JPY

The Japanese Yen (JPY) attracts some sellers following an Asian session uptick, assisting the USD/JPY pair to rebound from an over one-week low touched earlier this Thursday and climb back above the 151.00 mark in the last hour. Investors now seem convinced that domestic uncertainty would set the stage for the Bank of Japan (BoJ) to delay raising interest rates. This, along with a generally positive risk tone, seemed to undermine the safe-haven JPY.

| Fx rates | Last | High | Low | % Daily | % Weekly | % YTD |
|---|---|---|---|---|---|---|
| EUR-USD | 1.1655 | 1.1675 | 1.1643 | 0.07 | 0.79 | 12.57 |
| GBP-USD | 1.3415 | 1.3442 | 1.3394 | 0.09 | 0.83 | 7.18 |
| USD-JPY | 151.12 | 151.20 | 150.51 | 0.05 | 1.29 | 4.02 |
| USD-CHF | 0.7959 | 0.7974 | 0.7933 | -0.10 | 1.31 | 14.01 |
| **Commodities** | **Last** | **High** | **Low** | **% Daily** | **% Weekly** | **% YTD** |
| Gold | 4224.55 | 4242.13 | 4199.85 | 0.41 | 6.23 | 60.97 |
| Silver | 53.00 | 53.28 | 52.85 | -0.07 | 7.53 | 83.36 |
| Crude Oil | 58.80 | 59.01 | 58.55 | 0.91 | -4.41 | -14.16 |
| Bitcoin | 111129.08 | 111893.17 | 110420.90 | -0.04 | 0.66 | 18.58 |
| Etherium | 4003.45 | 4038.85 | 3932.95 | 1.02 | 8.21 | 19.63 |

| Period | 1M | 3M | 6M | 12M |
|---|---|---|---|---|
| SOFR ($) | 4.03 | 3.89 | 3.75 | 3.55 |
| ESTR (€) | 1.85 | 1.92 | 1.90 | 1.85 |
| SONIA (£) | 3.96 | 3.94 | 3.88 | 3.78 |
| SARON (₣) | -0.04 | -0.05 | -0.07 | -0.10 |
| TONAR (¥) | 0.47 | 0.47 | 0.47 | 0.40 |

| | 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

The S&P 500 broke back into the green Wednesday, buoyed by Bank of America and Morgan Stanley's blockbuster earnings reports. Ongoing concerns about U.S.-China trade negotiations and a government shutdown weighed on investor sentiment but took a backseat to enthusiasm over a better-than-expected start to earnings season.

### EUROPE

European stocks closed preliminarily higher on Wednesday, with luxury brands driving gains, as the region's markets rebounded after touching a two-week low in the previous trading session. France's CAC 40 was up 2% at the closing bell — marking its biggest daily gain since May — with investors closely monitoring Prime Minister Sebastien Lecornu's new government updates.

### ASIA

Asia-Pacific markets rose on Thursday. South Korea's Kospi hit a record high after the IMF raised its 2025 growth forecast for the country. Australia's ASX/S&P 200 also reached a new record despite a rise in the unemployment rate to a near four-year high.

| Index | Close | % Daily | % M | YTD | Futures | % Change |
|---|---|---|---|---|---|---|
| DJIA | 46253.31 | -0.04 | 1.08 | 8.72 | 46480.00 | 0.03 |
| S&P | 6671.06 | 0.40 | 0.97 | 13.42 | 6713.00 | 0.41 |
| Nasdaq | 22670.08 | 0.66 | 1.50 | 17.40 | 24939.00 | 0.70 |
| DJ EuroStoxx50 | 5605.03 | 0.95 | 4.33 | 14.48 | 5605.00 | 0.70 |
| FTSE 100 | 9424.75 | -0.30 | 2.49 | 15.32 | 9441.50 | -0.47 |
| CAC 40 | 8077.00 | 1.99 | 3.31 | 9.43 | 8079.00 | 1.99 |
| DAX | 24181.37 | -0.23 | 3.65 | 21.46 | 24261.00 | -0.41 |
| IBEX 35 | 15570.30 | -0.10 | 2.68 | 34.28 | 15600.80 | 0.11 |
| FTSE MIB | 41906.90 | -0.40 | -1.41 | 22.58 | 41637.00 | -0.42 |
| Nikkei | 47672.67 | 1.32 | 7.57 | 21.07 | 48300.00 | 3.33 |
| Hang Seng | 25910.60 | -0.61 | -2.60 | 28.37 | 25730.00 | 0.93 |
| DFM General | 6039.09 | 0.10 | 0.66 | 17.07 | | |
| MSCI Tadawoul | 11682.23 | 0.74 | 11.06 | -2.94 | | |

| Leb. Mrkts | Closing Px | High | Low | % Daily | % Weekly | YTD |
|---|---|---|---|---|---|---|
| Solidere A | 80.90 | 81.00 | 79.50 | 1.31 | 3.59 | -32.58 |
| Solidere B | 78.00 | 78.00 | 78.00 | -0.06 | 2.63 | -34.73 |
| EuroBonds | 22.25 / 22.75 | | | | | |

## MUST READ

*(Source: Bloomberg/ Forexlive)*

### Trump confirms US-China trade war

Trade tensions between the U.S. and China remain high, with President Trump confirming the countries are already engaged in a trade war. This comes despite Treasury Secretary Scott Bessent's remarks suggesting the current pause on tariffs could be extended. Relations have deteriorated in recent days, following China's move to tighten export controls on rare earth minerals. In response, Trump announced a 100% tariff on Chinese goods starting November 1. Although he briefly hinted at de-escalation, tensions escalated further as China sanctioned U.S. companies and halted soybean imports, prompting Trump to threaten additional restrictions. U.S. tariffs on Chinese goods (some as high as 145%) are paused until November 10 as both sides negotiate. China's retaliatory tariffs have reached 125%. Americans are bearing over half of these tariff costs due to rising prices, according to Goldman Sachs. Meanwhile, the U.S. Supreme Court will soon hear a major challenge to Trump's broader tariff strategy. Despite the growing conflict, Trump still plans to meet President Xi at the APEC summit later this month. Bessent and U.S. Trade Representative Jamieson Greer criticized China's export controls as economic coercion but reiterated a preference for diplomacy over decoupling. Talks and daily communications are ongoing to stabilize relations before the leaders meet.

## MAIN WEEKLY EARNINGS

| Company | Ticker | Market Cap | Date | Time | Estimate | Year Ago |
|---|---|---|---|---|---|---|
| TAIWAN SEMICOI | TSM | $ 1580.39 B | 16-Oct-25 | Bef-Mkt | 2.57 | 1.94 |
| SCHWAB (CHARLE | SCHW | $ 176.03 B | 16-Oct-25 | Bef-Mkt | 1.24 | 0.77 |
| BANK OF NEW YO | BK | $ 76.82 B | 16-Oct-25 | Bef-Mkt | 1.77 | 1.52 |
| INTERACTIVE BRC | IBKR | $ 118.60 B | 16-Oct-25 | Aft-Mkt | 0.54 | 0.44 |
| AMERICAN EXPRE | AXP | $ 230.10 B | 17-Oct-25 | Bef-Mkt | 3.99 | 3.49 |

## ECONOMIC CALENDAR

**(16-10-25) UK - Industrial/Manufacturing Production YoY/MoM**
**(16-10-25) UK - Trade Balance GBP**
**(16-10-25) US - Retail Sales Advance MoM**
**(16-10-25) US - PPI Final Demand YoY/MoM**
**(16-10-25) US - Initial Jobless Claims**
**(17-10-25) EC - CPI YoY/MoM**
**(16-10-25) CA - CPI YoY/MoM**


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