Daily Market Brief

May 18th 2026

BANQUE BEMO

FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

EUR/USD

EUR/USD remains subdued for the sixth successive day, trading around 1.1620 during the Asian hours on Monday. The pair loses ground as the US Dollar (USD) rises on the US Federal Reserve (Fed) shifting toward a more aggressive policy stance on inflation. Several Fed officials recently emphasized that controlling inflation is their top priority, even suggesting that further interest rate hikes could be necessary if price pressures persist. Financial markets have sharply increased the likelihood of a December rate hike to nearly 48%, up significantly from just 14% a week prior, according to the CME FedWatch tool.

GBP/USD

The GBP/USD pair adds to last week's heavy losses and remains under some selling pressure for the fifth consecutive day on Monday. Spot prices drop to the 1.3300 mark, or the lowest level since April 8, during the Asian session and seem vulnerable amid a broadly firmer US Dollar (USD). Against the backdrop of rising bets for an interest rate hike by the Federal Reserve (Fed) in 2026, the risk of a further escalation of geopolitical tensions in the Middle East continues to underpin the safe-haven Greenback. In fact, US President Donald Trump warned Iran that the "clock is ticking" and that there "won't be anything left" if action is not taken soon, adding that "time is of the essence." Adding to this, the Times of Israel reported on Saturday that Israel and the US are actively advancing military preparations to potentially resume coordinated attacks against Iran.

USD/JPY

The USD/JPY pair scales higher for the sixth consecutive day – also marking the seventh day of a positive move in the previous eight – and climbs to a two-and-a-half-week high during the Asian session on Monday. Spot prices now look to build on the momentum above the 159.00 mark and remain well supported by a broadly firmer US Dollar (USD). The USD Index (DXY), which tracks the Greenback against a basket of currencies, advances to its highest level since April 7 amid rising US-Iran tensions and hawkish US Federal Reserve (Fed) expectations.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.1620	1.1629	1.1608	-0.04	-1.38	-1.07
GBP-USD	1.3322	1.3327	1.3303	-0.03	-2.12	-1.14
USD-JPY	158.96	159.07	158.54	0.14	-1.11	-1.42
USD-CHF	0.7867	0.7878	0.7864	-0.03	-1.11	0.75

Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	4549.21	4555.29	4480.67	0.20	-3.95	5.32
Silver	75.51	76.92	73.89	-0.63	-12.25	5.37
Crude Oil	107.64	108.70	105.00	2.11	9.76	88.81
Bitcoin	77003.45	78441.35	76665.98	-1.58	-3.35	-12.14
Etherium	2123.15	2193.69	2091.81	-2.98	-6.17	-28.70

Period	1M	3M	6M	12M
SOFR ($)	3.61	3.64	3.68	3.79
ESTR (€)	2.52	2.12	2.29	2.52
SONIA (£)	3.74	3.83	4.00	4.29
SARON (₣)	-0.05	-0.05	-0.01	0.11
TONAR (¥)	0.72	0.72	0.67	0.57

	Rates
U.S. Federal Fund Target Rate	3.75
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	3.75

INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA

Stocks fell on Friday, bogged down by losses in technology stocks and a rise in U.S. Treasury yields, after a summit between President Donald Trump and Chinese President Xi Jinping ended and left traders worried about no major policy breakthroughs. Investors took profits in tech after the group saw sharp gains recently. Notably, Intel retreated more than 6%, while Advanced Micro Devices and Micron Technology lost 5.7% and 6.6%, respectively.

EUROPE

European stocks closed sharply lower on Friday as inflation concerns returned to investors' minds following a week of hotter-than-expected U.S. price data and a jump in oil prices. The pan-European Stoxx 600 index finished the session 1.6% lower. Major bourses in London, Paris, Frankfurt and Milan were all down, while most regional sectors also closed the day in negative territory.

Asia

Asia-Pacific markets fell Monday as investors weighed renewed geopolitical tensions after U.S. President Donald Trump warned Iran to "get moving, FAST," raising fears of further escalation in the Middle East and potential disruptions to global oil supplies. Oil prices advanced more than 1%. International benchmark Brent crude futures for July gained 1.77% to trade at $111.19 per barrel. U.S. West Texas Intermediate futures for June advanced 2.12% to $107.65 per barrel.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	49526.17	-1.07	0.16	3.04	49270.00	-0.76
S&P	7408.50	-1.24	3.96	8.22	7390.25	-0.61
Nasdaq	26225.14	-1.54	7.18	12.84	29073.75	-0.58
DJ EuroStoxx50	5827.76	-1.81	-3.80	0.63	5768.00	-1.01
FTSE 100	10195.37	-1.71	-4.43	2.66	10174.00	-0.18
CAC 40	7952.55	-1.60	-5.61	-2.42	7963.90	-1.43
DAX	23950.57	-2.07	-3.04	-2.20	23810.00	-0.89
IBEX 35	17622.70	-1.05	-4.66	1.82	17616.60	-0.99
FTSE MIB	49116.47	-1.87	0.51	9.28	48485.00	-1.92
Nikkei	61409.29	-0.90	4.07	20.89	61160.00	-2.89
Hang Seng	25962.73	-1.26	-2.01	0.02	25615.00	-0.93
DFM General	5708.78	-0.46	-4.65	-5.59		
MSCI Tadawoul	10967.94	-0.25	-5.07	4.55		

Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	70.00	70.10	70.00	0.00	-4.11	-16.67
Solidere B	70.00	70.00	70.00	0.00	-0.07	-15.36
EuroBonds	24.50 / 25.50					

MUST READ

(Source: Bloomberg/ Forexlive)

Elon Musk Says He Isn't Selling His SpaceX Shares as IPO Looms

Elon Musk said he is not selling any SpaceX shares, with the company reported to be preparing to file publicly for its long-awaited IPO as soon as next week. "I'm not selling any shares," Musk wrote on X in response to a user post that suggested he do so after a lockup period. The rocket, satellite and artificial intelligence company could file publicly for its IPO as soon as Wednesday, according to people familiar with the matter. It has filed confidentially and is seeking to raise as much as $75 billion at a valuation of more than $2 trillion, which would be the largest IPO of all time. SpaceX shareholders received a notification on Friday that the company is executing a 5-for-1 stock split, a move that will reduce the price investors will pay for each share offered in the impending IPO. The current fair market value per share has been adjusted to about $105.32 from $526.59 as a result of the split, according to people familiar with the matter. The company aims to kick off formal marketing for the stock sale as soon as June 4, price its IPO as early as June 11 and list on June 12.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
BAIDU INC - SPON	BIDU	$ 46.05 B	18-May-26	Bef-mkt	11.84	18.54
RYANAIR HOLDIN	RYAAY	$ 27.76 B	18-May-26	Bef-mkt	-0.84	-0.56
HOME DEPOT INC	HD	$ 296.33 B	19-May-26	Bef-mkt	3.42	3.56
KEYSIGHT TECHN	KEYS	$ 59.86 B	19-May-26	Aft-mkt	2.32	1.70
NVIDIA CORP	NVDA	$ 5457.37 B	20-May-26	Aft-mkt	1.76	0.96

ECONOMIC CALENDAR

(19-05-26) JN - GDP SA QoQ
(19-05-26) JN - GDP Deflator YoY
(19-05-26) AU - Westpac Consumer Conf SA MoM
(19-05-26) JN - Industrial Production YoY / MoM
(19-05-26) JN - Tertiary Industry Index MoM
(19-05-26) UK - ILO Unemployment Rate 3Mths
(19-05-26) UK - Jobless Claims Change

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