Daily Market Brief

September 18th 2026

BANQUE BEMO

FOREIGN EXCHANGE MARKETS (Sources: Bloomberg / Reuters)

EUR/USD

The EUR/USD pair trades in positive territory around 1.1490 during the early European session on Friday, bolstered by a weaker US Dollar (USD). However, the potential upside of the major pair might be limited amid a hawkish interest rate hike by the Federal Reserve (Fed). Traders will take more cues from Fed Governor Michelle Bowman's speech later on Friday. The Fed decided to raise its benchmark interest rate by a quarter-percentage point to a range of 3.75% to 4%. This is the first time the Fed has raised rates since July 2023 as the central bank continues to fight to tamp down inflation. Last week, the European Central Bank (ECB) also lifted its key deposit rate by 25 basis points (bps) to 2.50% from 2.25% in a move widely expected by investors. The ECB will wait until December before delivering a final interest-rate increase to quell inflation triggered by conflict in the Middle East, according to Bloomberg economists.

GBP/USD

The GBP/USD pair trades on a flat note around 1.3360 during the early Asian trading hours on Friday. Traders continue to assess the latest interest rate decisions and policy cues from the US Federal Reserve (Fed) and the Bank of England (BoE). The UK August Retail Sales data will be published later on Friday. The BoE's Monetary Policy Committee (MPC) voted 6-3 to hold the Bank Rate at 3.75% on Thursday, despite inflation rising well above its 2% target. However, policymakers warned a hike was becoming increasingly likely. The three dissenters voted to enact a hike of 25 basis points (bps) to 4.0%.

USD/JPY

The Japanese Yen (JPY) plunges against the US Dollar (USD) after the Bank of Japan's (BoJ) monetary policy decision. As of writing, the USD/JPY pair surges to near 156.95. The BoJ has hiked interest rates by 25 basis points (bps) to 1.25%, the highest level seen in 31 years. The Japanese central bank was highly anticipated to tighten its monetary conditions, as market experts believed that latest wage data supports path to quicker policy normalization.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.1481	1.1492	1.1474	0.04	-1.02	-2.26
GBP-USD	1.3362	1.3376	1.3353	0.02	-1.20	-0.84
USD-JPY	157.12	157.33	155.87	0.73	-2.23	-0.26
USD-CHF	0.8241	0.8252	0.8226	-0.06	-0.92	-3.82

Commodities	Last	High	Low	% Daily	% Weekly	% YTD
Gold	4375.54	4378.25	4334.53	0.78	0.61	1.30
Silver	66.54	66.62	65.23	2.01	3.18	-7.15
Crude Oil	100.85	101.57	100.74	-1.04	0.80	77.09
Bitcoin	77510.73	77640.45	76195.26	1.32	0.25	-11.57
Etherium	2482.80	2491.22	2434.90	1.27	-1.17	-16.62

Period	1M	3M	6M	12M
SOFR ($)	3.89	3.98	4.14	4.40
ESTR (€)	3.00	2.52	2.71	3.00
SONIA (£)	3.74	3.85	4.07	4.42
SARON (₣)	-0.04	-0.03	0.01	0.18
TONAR (¥)	0.96	0.97	0.84	0.72

	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

U.S. equities climbed on Thursday, supported by a drop in Treasury yields and oil prices and gains in key technology stocks, as traders clawed back losses from the prior trading day caused by the first Federal Reserve interest rate hike in three years. The Dow Jones Industrial Average advanced 316.14 points, or 0.61%, to settle at 51,778.04. The S&P 500 was up 1.14% at 7,637.76, and the Nasdaq Composite added 1.69% to reach 26,418.30. Tech drove the broader market higher. "Magnificent Seven" names Nvidia and Amazon rose more than 2% each, while Microsoft gained 1.5%. Other stocks related to the artificial intelligence trade such as Qualcomm and Intel advanced 2% and 7%, respectively.

EUROPE

European shares rose on Thursday as lower oil prices and a pause in the global bond selloff lifted risk appetite after the US Federal Reserve delivered its widely expected interest-rate hike. The pan-European STOXX 600 gained 0.9% to 642.6 points, with most regional markets advancing. Metal mining shares led the gains, jumping 2.1%. Automakers rose 1.7%, led by gains of around 2% for BMW, Renault and Volkswagen.

Asia

Asia-Pacific markets traded higher early Friday. Japan's Nikkei 225 added over 1% while the broader Topix was flat. South Korea's Kospi advanced 2.31%, while the small-cap Kosdaq gained 0.89%. Australia's benchmark S&P/ASX 200 was 0.41% higher.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	51778.04	0.61	-2.93	7.73	51931.00	0.24
S&P	7637.76	1.14	-0.70	11.57	7660.75	0.29
Nasdaq	26418.30	1.69	0.49	13.67	29560.00	0.38
DJ EuroStoxx50	6322.90	0.90	-2.25	9.18	6316.00	-0.27
FTSE 100	10816.14	1.19	0.82	8.91	10807.50	1.02
CAC 40	8186.93	0.57	-3.79	0.46	8168.00	0.55
DAX	25716.71	0.70	-1.58	5.01	25656.00	-0.32
IBEX 35	19831.80	1.00	-0.52	14.58	19863.70	0.99
FTSE MIB	52385.50	0.80	-1.19	16.56	52399.00	0.79
Nikkei	64136.25	1.68	-3.33	29.54	64980.00	1.31
Hang Seng	24604.29	0.81	-2.62	-3.22	24821.00	0.97
DFM General	5986.76	0.34	2.19	-1.00		
MSCI Tadawoul	10777.94	-0.02	-1.61	2.74		

Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	72.00	72.90	70.50	2.13	2.78	-14.29
Solidere B	72.00	72.00	72.00	0.00	0.00	-12.94
EuroBonds	26.875 / 27.875					

MUST READ (Source: Bloomberg/Forexlive)

BOJ Hikes Rates in Split Decision After Bessent's Pressure

The Bank of Japan (BOJ) raised its benchmark interest rate by 25 basis points to 1.25%, marking its sixth increase under Governor Kazuo Ueda and the shortest gap between rate hikes since 1990. The decision was widely expected, but it was split, with board members Toichiro Asada and Ayano Sato voting against the increase. Their opposition suggests growing resistance to accelerating monetary tightening. The yen weakened following the announcement, reaching around 157.14 per dollar. Investors viewed the split decision and the absence of stronger hawkish guidance as relatively dovish, reducing expectations for further yen appreciation. Japan's Nikkei 225 initially gained as the weaker yen supported exporters. The hike comes amid persistent inflation concerns. Japan's key inflation measure has remained above the BOJ's 2% target, while the central bank warned that wage and price increases could push inflation higher. However, August data showed some moderation in core inflation, potentially making future hikes harder to achieve. The move also followed significant US pressure, particularly from Treasury Secretary Scott Bessent, who has urged Japan to take stronger action to support the yen. Attention now turns to Ueda's guidance on future increases, with markets closely watching for signals about another hike before year-end.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
AUTOZONE INC	AZO	$ 46.43 B	22-Sep-26	Bef-mkt	54.51	48.71
PAYCHEX INC	PAYX	$ 41.48 B	23-Sep-26	Bef-mkt	1.32	1.22
CINTAS CORP	CTAS	$ 79.32 B	23-Sep-26	Bef-mkt	1.35	1.20
COSTCO WHOLES	COST	$ 396.44 B	24-Sep-26	Aft-mkt	6.53	5.87
JEFFERIES FINANC	JEF	$ 11.04 B	28-Sep-26	Aft-mkt	0.93	1.01

ECONOMIC CALENDAR

(18-09-26) JN - Natl CPI YoY
(18-09-26) UK - Retail Sales Inc Auto Fuel MoM
(18-09-26) US - Industrial Production MoM
(23-09-26) EC - S&P Global Eurozone Manufacturing / Services PMI
(23-09-26) UK - S&P Global UK Manufacturing / Services PMI
(23-09-26) US - MBA Mortgage Applications
(23-09-26) US - S&P Global US Manufacturing PMI

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