Daily Market Brief

August 31st 2026

BANQUE BEMO

FOREIGN EXCHANGE MARKETS

(Sources: Bloomberg / Reuters)

EUR/USD
The EUR/USD pair gathers strength to around 1.1590 during the early Asian trading hours on Monday. The US Dollar (USD) edges lower against the Euro (EUR) despite hawkish remarks from Federal Reserve (Fed) Chair Kevin Warsh. Traders will take more cues from the preliminary reading of Consumer Price Index (CPI) inflation data from Germany, which is due later on Monday. Warsh said on Friday at the Jackson Hole symposium that policymakers will "have work to do" if they were not confident cost-of-living pressures were easing for Americans. “We must be confident that underlying inflation is moving to our objective, clearly and at sufficient speed,” said Warsh. “Otherwise, we have work to do,” he added.

GBP/USD
The GBP/USD pair edges higher at the start of a new week, reversing a part of Friday's heavy losses to over a one-week trough. Spot prices, however, lack bullish conviction and trade below mid-1.3500s during the Asian session, warranting caution before confirming that the recent pullback from the highest level since February, touched earlier this month, has run its course. The US Dollar (USD) pauses after Friday's strong move up to a nearly two-week high amid month-end rebalancing and acts as a tailwind for the GBP/USD pair. The British Pound (GBP), on the other hand, draws support from UK Chancellor John Healey's emphasis on maintaining fiscal discipline as the top priority for Prime Minister Andy Burnham’s government ahead of the Autumn Budget on October 28.

USD/JPY
The USD/JPY pair retreats from the 160.20 area, or a one-month high retested earlier this Monday, and, for now, seems to have snapped a five-day winning streak. Spot prices slide to the 159.80-159.75 region during the Asian session, though the downside potential seems limited. A modest US Dollar (USD) downtick is seen as a key factor exerting some downward pressure on the USD/JPY pair amid rising bets for faster interest rate hikes by the Bank of Japan (BoJ). However, expectations that the US Federal Reserve (Fed) will raise borrowing costs next month, along with escalating US-Iran tensions, might hold back USD bears from placing aggressive bets.

Fx rates	Last	High	Low	% Daily	% Weekly	% YTD
EUR-USD	1.1588	1.1595	1.1579	0.03	-0.65	-1.35
GBP-USD	1.3543	1.3548	1.3529	0.04	-0.65	0.50
USD-JPY	159.81	160.20	159.73	-0.18	-0.44	-1.94
USD-CHF	0.8096	0.8098	0.8051	0.06	-0.90	-2.10
Commodities	**Last**	**High**	**Low**	**% Daily**	**% Weekly**	**% YTD**
Gold	4433.59	4472.12	4396.70	-0.48	-4.70	2.64
Silver	66.56	66.86	65.58	0.28	-3.44	-7.12
Crude Oil	85.99	86.02	84.11	3.11	1.15	50.99
Bitcoin	77878.87	78798.95	77019.96	-0.91	-0.72	-11.15
Etherium	2430.36	2490.79	2387.84	-2.43	-1.69	-18.38

Period	1M	3M	6M	12M
SOFR ($)	3.68	3.76	3.87	4.03
ESTR (€)	2.68	2.41	2.52	2.68
SONIA (£)	3.75	3.81	3.94	4.18
SARON (₣)	-0.06	-0.05	-0.03	0.03
TONAR (¥)	0.96	0.92	0.82	0.69

	Rates
U.S. Federal Fund Target Rate	3.75
ECB Main Refinancing Operation Announcement Rate	2.4
ECB Deposit Facility Announcement Rate	2.25
ECB Marginal Lending Facility Announcement Rate	2.65
BOE Official Bank Rate	3.75

INTERNATIONAL EQUITY MARKETS

(Sources: Bloomberg / Reuters)

UNITED STATES OF AMERICA
The S&P 500 fell on Friday, but still notched a winning week, after Federal Reserve Chairman Kevin Warsh conveyed some worry over current inflation trends. The broad market index lost 0.25% and closed at 7,711.76, while the Nasdaq Composite slid 0.52% to 26,402.42, weighed down by losses in semiconductor stocks such as Nvidia and Intel. The Dow Jones Industrial Average was down 9.45 points, or 0.02%, and ended at 53,559.99.

EUROPE
European shares rose on Friday, as French stocks rebounded from the previous session's selloff, while investors assessed Federal Reserve Chair Kevin Warsh's speech at Jackson Hole. The pan-European STOXX 600 index closed 0.5% higher at 655.16 points, posting a modest weekly gain after two consecutive weekly declines. France's CAC 40 firmed about 1% after sliding to a one-month low in the previous session, when worries over the government's ability to rein in public finances ahead of next year's elections rattled investors.

Asia
Asia-Pacific markets fell on Monday, with South Korean equities leading declines in the region after U.S. forces struck two Iranian rocket launchers on Larak Island on Sunday. The benchmark Kospi was down 3.5%, while the small-cap Kosdaq declined 3.8%. Japan’s Nikkei 225 was down 2.16%, and the Topix was 0.95% lower. Australia’s S&P/ASX 200 lost 0.27%.

Index	Close	% Daily	% M	YTD	Futures	% Change
DJIA	53559.99	-0.02	2.05	11.44	53447.00	-0.28
S&P	7711.76	-0.25	2.96	12.65	7704.25	-0.26
Nasdaq	26402.42	-0.52	4.05	13.60	29460.00	-0.17
DJ EuroStoxx50	6485.67	0.95	2.01	11.99	6489.00	-0.14
FTSE 100	10824.26	0.29	-0.40	8.99	10836.00	0.17
CAC 40	8401.18	0.98	-1.27	3.09	8411.50	0.98
DAX	26569.99	0.77	3.67	8.49	26556.00	-0.15
IBEX 35	20041.90	0.81	1.31	15.80	20088.50	0.95
FTSE MIB	52616.12	0.67	0.85	17.07	52707.00	0.69
Nikkei	66405.56	-0.38	2.78	31.42	66140.00	-0.41
Hang Seng	25584.79	-0.44	-1.60	-0.62	25403.00	-0.41
DFM General	5882.63	0.27	1.50	-2.72		
MSCI Tadawoul	11158.54	-0.71	5.37	6.37		

Leb. Mrkts	Closing Px	High	Low	% Daily	% Weekly	YTD
Solidere A	70.15	70.75	70.00	-3.37	-3.44	-16.49
Solidere B	70.50	71.10	70.00	-2.08	-3.03	-14.75
EuroBonds	27.25 / 28.25					

MUST READ

(Source: Bloomberg/Forexlive)

Bond Investors Wary After Warsh Speech Fuels Rate-Hike Bets
Bond investors remain skeptical that Federal Reserve Chairman Kevin Warsh will raise interest rates at the Fed’s September meeting, despite his recent comments emphasizing the need to control inflation. Markets are currently pricing in roughly a 60% probability of a rate hike, but investors remain cautious because Warsh’s communication has been unpredictable and he has avoided providing clear forward guidance. Warsh’s speeches and policy decisions since becoming chairman in May have caused significant swings in Treasury yields. While his latest speech helped stabilize long-term yields, investors worry that another decision to keep rates unchanged could undermine the Fed’s credibility, particularly if inflation remains elevated. Upcoming employment and inflation data will be crucial in determining the Fed’s next move. Some investors argue that recent economic indicators, including retail sales and employment, do not show a significant acceleration in growth, while softer inflation data has supported keeping rates steady. Investors are therefore favoring shorter-term Treasuries over long-dated bonds, which remain vulnerable to inflation and credibility concerns. Overall, the market is watching not only whether the Fed raises rates, but also whether Warsh can provide a clearer explanation of the Fed’s policy decisions and maintain investor confidence.

MAIN WEEKLY EARNINGS

Company	Ticker	Market Cap	Date	Time	Estimate	Year Ago
DELL TECHNOLOG	DELL	$ 294.80 B	1-Sep-26	Aft-mkt	4.92	2.32
PALO ALTO NETW	PANW	$ 302.85 B	1-Sep-26	Aft-mkt	0.98	0.95
MONGODB INC	MDB	$ 35.92 B	1-Sep-26	Aft-mkt	1.61	1.00
BROADCOM INC	AVGO	$ 1754.55 B	2-Sep-26	Aft-mkt	3.23	1.69
HEWLETT PACKAF	HPE	$ 69.27 B	2-Sep-26	Aft-mkt	0.93	0.44

ECONOMIC CALENDAR

(31-08-26) JN - Industrial Production MoM
(31-08-26) AU - Melbourne Institute Inflation MoM
(01-08-26) JN - Capital Spending YoY
(01-08-26) UK - Nationwide House PX MoM / NSA YoY
(01-08-26) EC - S&P Global Eurozone Manufacturing PMI
(01-08-26) UK - Mortgage Approvals
(01-08-26) EC - CPI YoY / MoM

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