BPI

Financial Markets

Daily Report 13-May-2025

- Yesterday's announcement of a temporary truce in the trade war between the US and China lifted investors' mood, particularly in US assets. Both countries agreed that for the next 90 days the US will reduce the tariffs it imposed on Chinese imports last month from 145% to 30%, and that Chinese tariffs on US imports will fall from 125% to 10%.
- Fed officials speaking on the day acknowledged that the deal reduced the risks to inflation and growth and thus the chances of rate cuts. Investors seemed to share this view and the market shifted to discount only two Fed cuts in 2025. Markets still discount two more ECB cuts in 2025. On both sides of the Atlantic, government bond yields rose and the curves flattened.
- Equities rallied across the board on the news, especially in the US. In the currency market, the dollar strengthened against its major peers. In commodities, the price of energy assets rose on hopes of higher global demand, while havens such as gold fell as risk appetite increased.

Interest Rates (%)	5/12	5/9	Daily Change (bp)	Weekly Change (bp)	YTD (bp)	YoY Change (bp)
Euro area						
ECB - Official Interest Rate (Depo)	**2,25**	2,25	0	0	-75	-175
€STR	**2,17**	2,17	0	0	-74	-174
Swap €STR (10Y)	**2,45**	2,36	9	10	22	-20
3 months (Euribor)	**2,14**	2,12	1	-1	-58	-168
12 months (Euribor)	**2,07**	2,02	4	3	-39	-156
Germany - 2-Year Bond	**1,91**	1,79	13	16	-17	-105
Germany - 10-Year Bond	**2,65**	2,56	9	13	28	13
France - 10-Year Bond	**3,33**	3,27	6	9	13	33
Spain - 10-Year Bond	**3,27**	3,21	7	11	21	-4
Portugal - 10-Year Bond	**3,16**	3,08	8	11	31	0
Italy - 10-Year Bond	**3,68**	3,61	7	8	16	-18
Risk premium - France (10Y)	**68**	70	-2	-4	-15	19
Risk premium - Spain (10Y)	**63**	64	-2	-3	-7	-17
Risk premium - Portugal (10Y)	**51**	52	-1	-2	3	-13
Risk premium - Italy (10Y)	**103**	105	-2	-6	-13	-31
US						
Fed - Lower Bound*	**4,25**	4,25	0	0	0	-100
Fed Funds Rate Future (Dec.-25)	**3,82**	3,72	11	19	-9	-42
3 months (SOFR)	**4,31**	4,31	0	1	0	-101
12 months (SOFR)	**3,96**	3,96	0	8	-22	-118
2-Year Bond	**4,01**	3,89	12	18	-23	-86
10-Year Bond	**4,47**	4,38	9	13	-10	-3

Stock Markets	5/12	5/9	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
CaixaBank	**7,37**	7,27	1,3	7,5	40,7	49,5
Ibex 35	**13655**	13554	0,7	1,0	17,8	23,0
PSI 20	**7111**	6988	1,8	1,6	11,5	2,9
MIB	**39922**	39370	1,4	3,8	16,8	15,2
DAX	**23567**	23499	0,3	1,0	18,4	25,5
CAC 40	**7850**	7744	1,4	1,6	6,4	-4,5
Eurostoxx50	**5392**	5310	1,6	2,1	10,1	6,0
S&P 500	**5844**	5660	3,3	3,4	-0,6	11,9
Nasdaq	**18708**	17929	4,3	4,8	-3,1	14,5
Nikkei 225	**37644**	37503	0,4	2,2	-5,6	-1,5
MSCI Emerging Index	**1162**	1138	2,1	2,0	8,0	8,4
MSCI Emerging Asia	**638**	622	2,6	2,1	6,9	10,2
MSCI Emerging Latin America	**2220**	2226	-0,3	2,2	19,8	-10,8
Shanghai	**3369**	3342	0,8	2,8	0,5	6,8
VIX Index	**18,39**	21,90	-16,0	-22,2	6,0	46,5

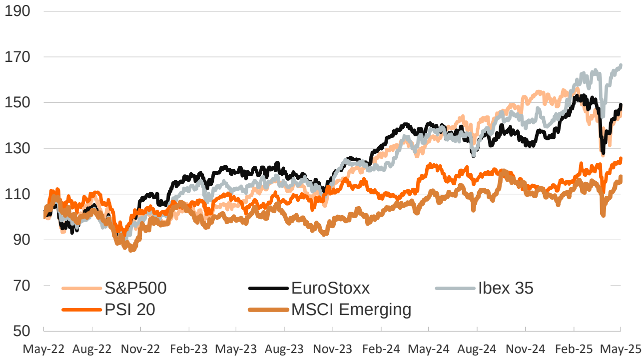
Currencies & Cryptocurrencies	5/12	5/9	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
EUR/USD	**1,109**	1,125	-1,4	-2,0	7,1	2,9
EUR/GBP	**0,84**	0,85	-0,5	-1,1	1,7	-2,2
EUR/CHF	**0,94**	0,94	0,3	0,8	-0,3	-4,0
USD/JPY	**148,46**	145,37	2,1	3,3	-5,6	-4,7
USD/CNY	**7,21**	7,24	-0,5	-0,9	-1,3	-0,3
BTC/USD	**102693,31**	103195,81	-0,5	9,0	9,6	69,7

Commodities	5/12	5/9	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
Global Commodities Index	**102,3**	102,8	-0,5	1,1	3,6	-0,5
Brent (US$/barrel)	**65,0**	63,9	1,6	7,9	-13,0	-21,5
TTF Natural Gas-1M Future (€/MWh)	**35,4**	34,6	2,2	7,5	-27,6	17,9
TTF Natural Gas-Dec.-25 Future (€/MWh)	**37,2**	36,4	2,1	7,3	-16,9	1,8
Gold (US$/ounce)	**3236,4**	3325,0	-2,7	-2,9	23,3	37,1

* To ensure the best comparability between USD and EUR policy rates, we are now displaying the lower bound of the Federal Funds Target Rate and the ECB'S Deposit Facility Rate, respectively

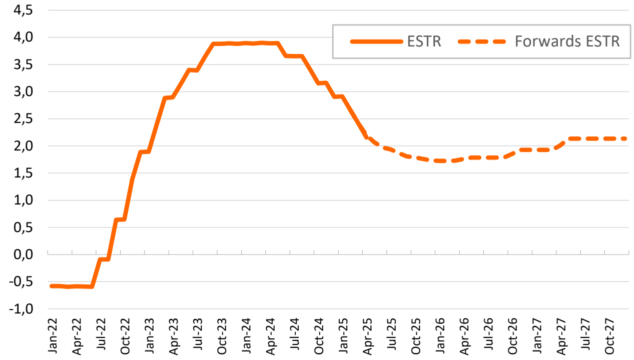
Main advanced stock markets

Index (100=Three years ago)



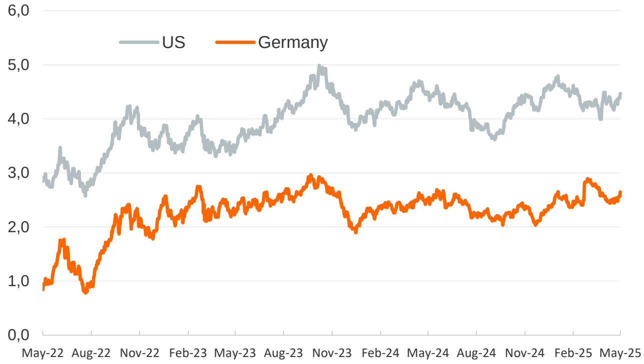
€STR: historical data and forwards

(%)



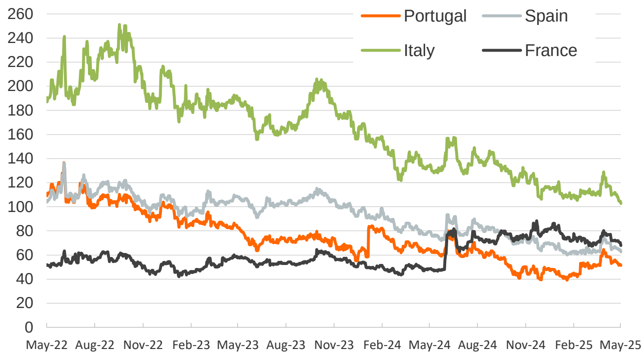
Yield on 10-year public debt: U.S. and Germany

(%)



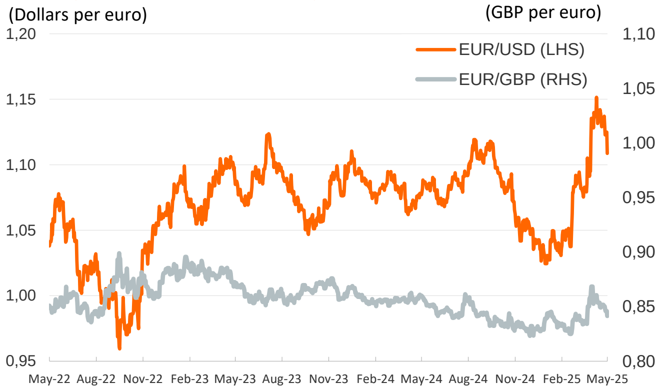
Risk Premium on 10-year debt: France, Italy, Spain and Portugal

(basis points)



Exchange rate: Advanced-economy currencies

(Dollars per euro) (GBP per euro)



Exchange rate: emerging economies index

(Index (100=Three years ago)

Brent oil price

(US$/barrel)

Dutch TTF Natural gas price

(€/MWh)

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