BPI

Financial Markets

Daily Report 20-May-2025

- Investors kicked off the week on a cautious note after Moody's downgraded the US credit rating from Aaa to Aa1, citing concerns about the country's fiscal trajectory, rising debt burden and high interest costs. With this downgrade, the US lost its only remaining triple A credit rating.
- Treasury yields opened the session trading higher, with the 30-year reference rising above 5% and the 10-year over 4.50%, before easing slightly by the end of the session. US stock markets also traded lower during most of the day as sentiment remained weak, but finally ended the session flat.
- Euro area sovereign yields were unchanged following an eventful electoral weekend. In Romania, pro-European candidate Nicușor Dan defeated far-right candidate Simion. In Poland, center-right candidate narrowly won the first round of presidential elections. In Portugal, AD led by PM Montenegro won the general election but fell short of a majority.

Interest Rates (%)	5/19	5/16	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	-73	-173
Swap €STR (10Y)	**2,38**	2,38	0	-7	15	-25
3 months (Euribor)	**2,08**	2,10	-3	-6	-64	-176
12 months (Euribor)	**2,09**	2,14	-5	3	-37	-155
Germany - 2-Year Bond	**1,84**	1,86	-1	-7	-24	-114
Germany - 10-Year Bond	**2,59**	2,59	0	-6	22	7
France - 10-Year Bond	**3,26**	3,26	0	-7	6	27
Spain - 10-Year Bond	**3,21**	3,21	0	-6	15	-6
Portugal - 10-Year Bond	**3,09**	3,09	0	-7	24	-5
Italy - 10-Year Bond	**3,60**	3,60	0	-8	8	-21
Risk premium - France (10Y)	**67**	67	0	-1	-16	20
Risk premium - Spain (10Y)	**62**	62	0	0	-7	-13
Risk premium - Portugal (10Y)	**50**	50	0	-1	2	-12
Risk premium - Italy (10Y)	**101**	101	0	-2	-15	-29
US						
Fed - Lower Bound*	**4,25**	4,25	0	0	0	-100
Fed Funds Rate Future (Dec.-25)	**3,86**	3,87	-2	4	-6	-66
3 months (SOFR)	**4,32**	4,32	0	1	1	-101
12 months (SOFR)	**4,07**	4,07	0	10	-11	-105
2-Year Bond	**3,98**	4,00	-2	-3	-26	-84
10-Year Bond	**4,45**	4,48	-3	-2	-12	3

Stock Markets	5/19	5/16	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
CaixaBank	**7,47**	7,50	-0,3	1,4	42,7	52,9
Ibex 35	**14099**	14065	0,2	3,2	21,6	24,5
PSI 20	**7250**	7236	0,2	2,0	13,7	5,3
MIB	**40167**	40656	-1,2	0,6	17,5	13,5
DAX	**23935**	23767	0,7	1,6	20,2	28,0
CAC 40	**7884**	7887	0,0	0,4	6,8	-3,5
Eurostoxx50	**5427**	5428	0,0	0,6	10,9	7,2
S&P 500	**5964**	5958	0,1	2,0	1,4	12,5
Nasdaq	**19215**	19211	0,0	2,7	-0,5	15,2
Nikkei 225	**37499**	37754	-0,7	-0,4	-6,0	-3,3
MSCI Emerging Index	**1167**	1172	-0,5	0,4	8,5	6,1
MSCI Emerging Asia	**639**	644	-0,7	0,2	7,1	7,2
MSCI Emerging Latin America	**2279**	2256	1,0	2,6	23,0	-8,9
Shanghai	**3368**	3367	0,0	0,0	0,5	6,8
VIX Index	**18,14**	17,24	5,2	-1,4	4,6	51,3

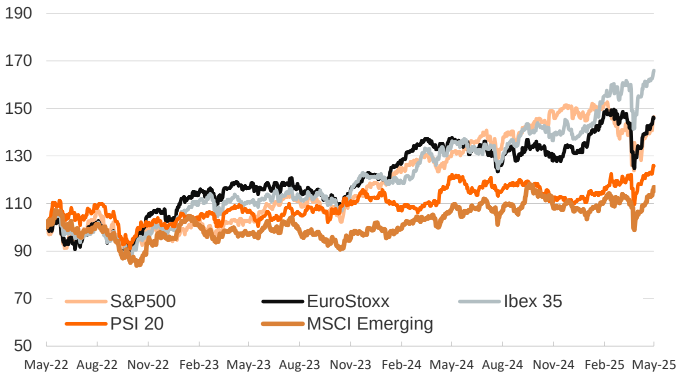
Currencies & Cryptocurrencies	5/19	5/16	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
EUR/USD	**1,124**	1,116	0,7	1,4	8,6	3,4
EUR/GBP	**0,84**	0,84	0,1	0,0	1,7	-1,7
EUR/CHF	**0,94**	0,94	0,3	0,1	-0,2	-5,0
USD/JPY	**144,86**	145,70	-0,6	-2,4	-7,8	-6,9
USD/CNY	**7,21**	7,21	0,0	0,1	-1,2	-0,1
BTC/USD	**105485,91**	103712,31	1,7	2,7	12,6	57,6

Commodities	5/19	5/16	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
Global Commodities Index	**100,8**	101,0	-0,1	-1,4	2,1	-4,7
Brent (US$/barrel)	**65,5**	65,4	0,2	0,9	-12,2	-22,0
TTF Natural Gas-1M Future (€/MWh)	**35,2**	35,2	0,2	-0,5	-27,9	14,5
TTF Natural Gas-Dec.-25 Future (€/MWh)	**37,0**	37,0	0,0	-0,5	-17,4	-1,0
Gold (US$/ounce)	**3229,6**	3203,7	0,8	-0,2	23,1	33,7

* 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

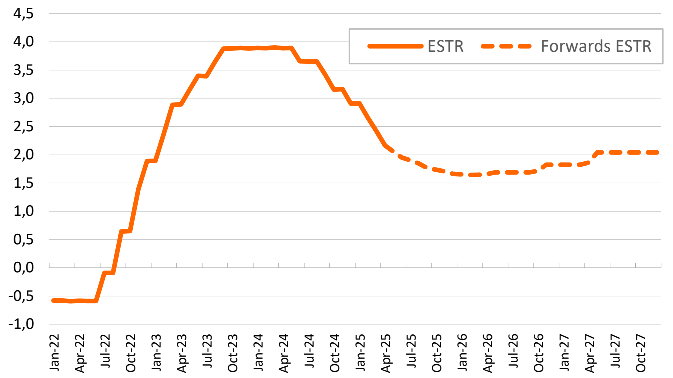
Main advanced stock markets

Index (100=Three years ago)



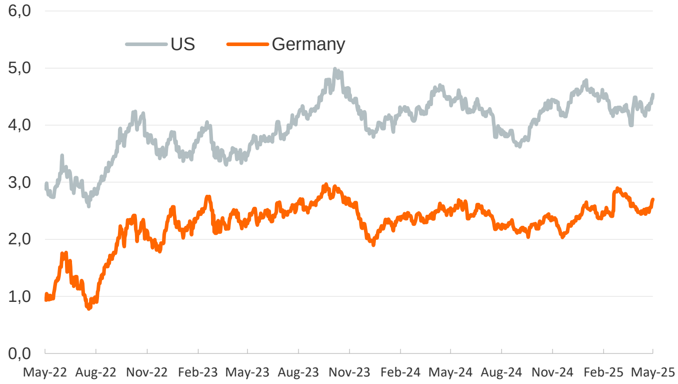
€STR: historical data and forwards

(%)



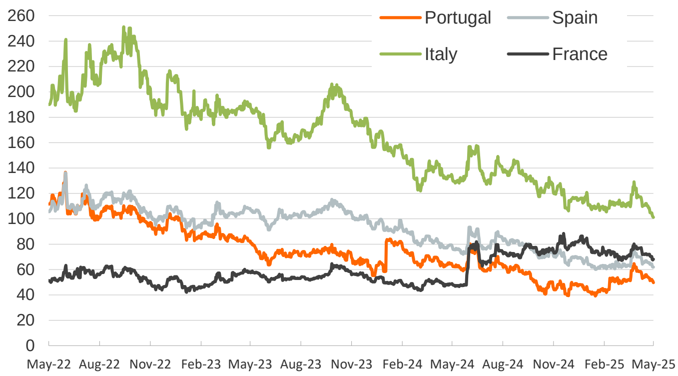
Yield on 10-year public debt: U.S. and Germany

(%)



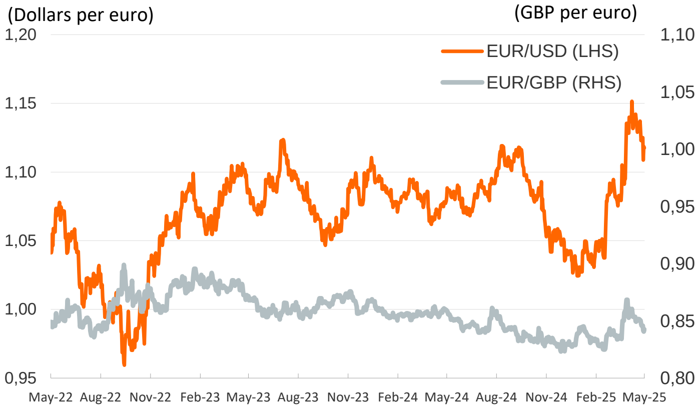
Risk Premium on 10-year debt: France, Italy, Spain and Portugal

(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)