BPI

Financial Markets

Daily Report 8-May-2025

- The Federal Reserve kept the federal funds rate unchanged at the 4.25%-4.50% range and highlighted that the risks of higher inflation and higher unemployment have risen. The decision had been widely discounted by markets and had little impact on financial assets. Markets still expect three cuts in 2025, starting in July, and Treasury yields ended the session mostly fla t.
- In the euro area, sovereign bond yields fell ahead of the FOMC meeting and peripheral risk premia held steady.
- Global equity markets were mixed. In the euro area, risk-off sentiment ahead of the Fed's meeting sent the main indices lower. In the US, sentiment was boosted by news that the US and China will hold initial trade talks over the weekend in a meeting in Switzerland.
- In currency markets, the euro lost some ground to the dollar on falling sovereign yields, trading closer to $1.13 by the end of the session. In commodities, oil prices continued to trade close to $60/barrel (Brent).

Interest Rates (%)	5/7	5/6	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	1	-74	-174
Swap €STR (10Y)	**2,28**	2,35	-7	0	5	-27
3 months (Euribor)	**2,15**	2,14	1	-1	-56	-164
12 months (Euribor)	**2,04**	2,05	-1	-1	-42	-161
Germany - 2-Year Bond	**1,71**	1,74	-3	3	-37	-119
Germany - 10-Year Bond	**2,48**	2,54	-6	3	11	6
France - 10-Year Bond	**3,20**	3,26	-6	3	0	30
Spain - 10-Year Bond	**3,13**	3,19	-6	2	7	-7
Portugal - 10-Year Bond	**3,01**	3,07	-6	0	16	-6
Italy - 10-Year Bond	**3,55**	3,63	-8	-2	3	-21
Risk premium - France (10Y)	**72**	72	0	0	-11	24
Risk premium - Spain (10Y)	**65**	65	0	-2	-4	-13
Risk premium - Portugal (10Y)	**53**	53	0	-3	5	-12
Risk premium - Italy (10Y)	**107**	109	-1	-5	-8	-27
US						
Fed - Lower Bound*	**4,25**	4,25	0	0	0	-100
Fed Funds Rate Future (Dec.-25)	**3,61**	3,58	3	24	-30	-60
3 months (SOFR)	**4,31**	4,31	0	4	0	-101
12 months (SOFR)	**3,92**	3,92	0	14	-26	-123
2-Year Bond	**3,78**	3,78	0	18	-46	-105
10-Year Bond	**4,27**	4,29	-2	11	-30	-19

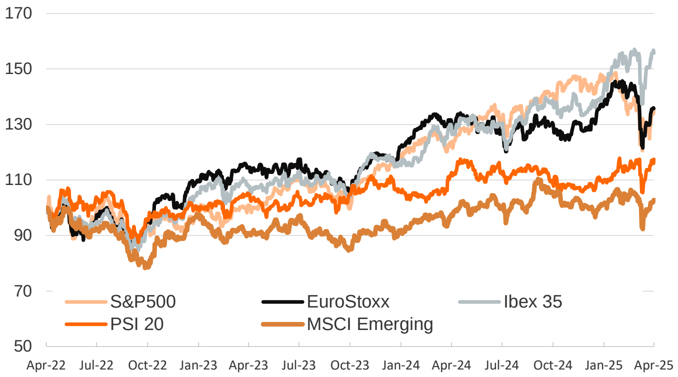
Stock Markets	5/7	5/6	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
CaixaBank	**7,04**	6,96	1,1	4,5	34,4	42,5
Ibex 35	**13480**	13530	-0,4	1,4	16,3	21,7
PSI 20	**7022**	7009	0,2	0,4	10,1	4,5
MIB	**38320**	38560	-0,6	1,9	12,1	11,9
DAX	**23116**	23250	-0,6	2,8	16,1	25,4
CAC 40	**7627**	7697	-0,9	0,4	3,3	-5,6
Eurostoxx50	**5230**	5263	-0,6	1,4	6,8	4,3
S&P 500	**5631**	5607	0,4	1,1	-4,3	8,6
Nasdaq	**17738**	17690	0,3	1,7	-8,1	8,6
Nikkei 225	**36780**	36831	-0,1	2,0	-7,8	-5,3
MSCI Emerging Index	**1137**	1137	0,0	2,2	5,8	6,5
MSCI Emerging Asia	**623**	623	0,0	2,8	4,4	8,2
MSCI Emerging Latin America	**2179**	2176	0,1	-0,7	17,6	-13,2
Shanghai	**3343**	3316	0,8	1,9	-0,3	6,2
VIX Index	**23,55**	24,76	-4,9	-4,7	35,7	78,0

Currencies & Cryptocurrencies	5/7	5/6	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
EUR/USD	**1,130**	1,137	-0,6	-0,2	9,1	5,1
EUR/GBP	**0,85**	0,85	0,0	0,0	2,8	-1,1
EUR/CHF	**0,93**	0,93	-0,4	-0,5	-1,0	-4,7
USD/JPY	**143,83**	142,45	1,0	0,5	-8,5	-7,0
USD/CNY	**7,23**	7,22	0,1	-0,6	-1,0	0,1
BTC/USD	**96794,09**	94701,79	2,2	2,3	3,3	53,7

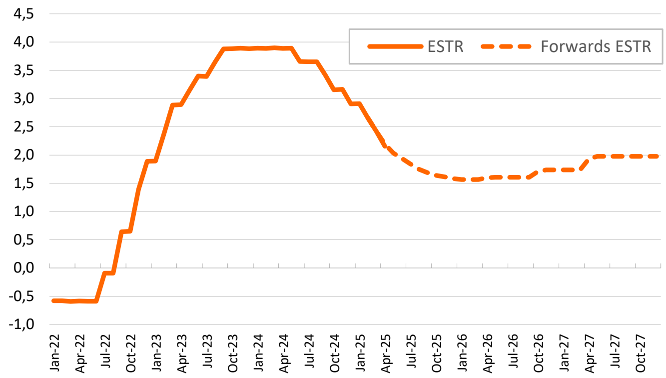
Commodities	5/7	5/6	Daily Change (%)	Weekly Change (%)	YTD (%)	YoY Change (%)
Global Commodities Index	**101,5**	102,3	-0,8	0,6	2,8	-1,0
Brent (US$/barrel)	**61,1**	62,2	-1,7	-3,2	-18,1	-26,5
TTF Natural Gas-1M Future (€/MWh)	**34,5**	34,7	-0,6	6,9	-29,4	11,2
TTF Natural Gas-Dec.-25 Future (€/MWh)	**36,2**	36,4	-0,5	6,4	-19,1	-2,1
Gold (US$/ounce)	**3364,5**	3431,8	-2,0	2,3	28,2	45,4

* 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

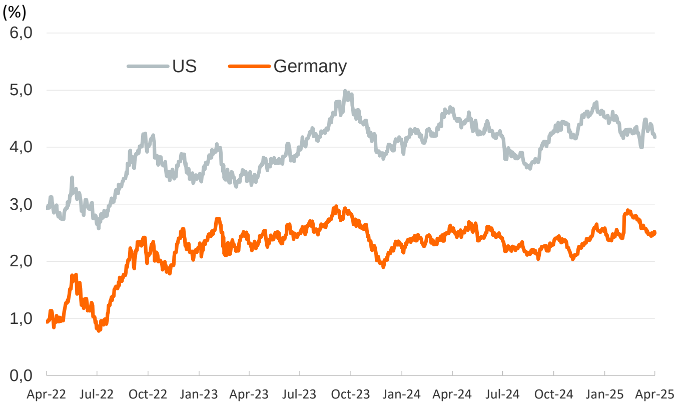
Main advanced stock markets
Index (100=Three years ago)



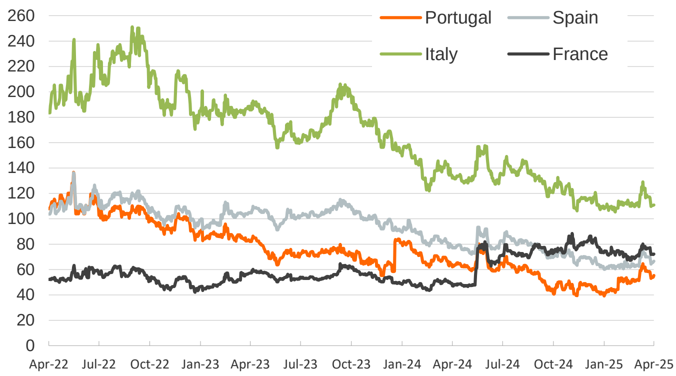
€STR: historical data and forwards
(%)



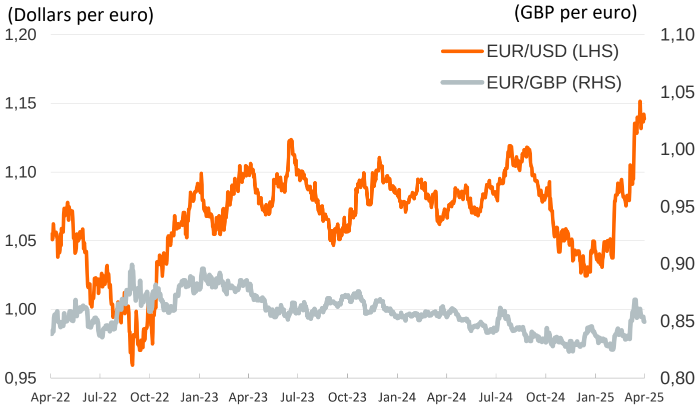
Yield on 10-year public debt: U.S. and Germany
(%)



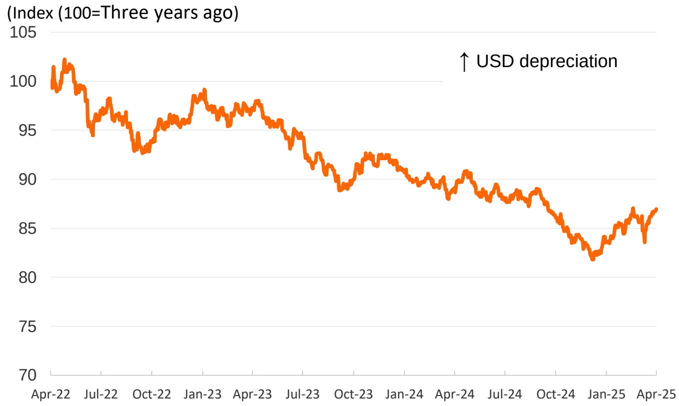
Risk Premium on 10-year debt: France, Italy, Spain and Portugal
(basis points)



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)