

DAILY MARKET REPORT

21.10.2025

Index	Last	Change
DJIA	46,706.48	-38
S&P 500	6,735.48	26
NASDAQ	22,990.63	310
NIKKEI	48,270.00	597
HANG SENG	23,661.00	-135
DJ EURSTOXX 50	4,982.18	18.98
FTSE 100	9,424.5	-28
CAC 40	8,731.51	62.48
DAXX	24,181.79	-11.5

US

Stock futures are little changed after major U.S. indexes rally to start the week

Stock futures are slightly higher Monday night after the previous session's broad rally. Investors await a busy earnings week that could inform the trajectory of a market that keeps on roaring.

In after-hours trading, Zions Bancorp shares were 2% higher after the regional bank reported third-quarter profits that rose from a year ago, despite the disclosure of some bad loans late last week that sparked a broader market rout.

The three major U.S. indexes rose on Monday, lifted by a jump in Apple shares and optimism that the U.S. government shutdown could be nearing an end. National Economic Council director Kevin Hassett told CNBC's "Squawk Box" Monday that the impasse — now the third-longest government shutdown in U.S. history — "is likely to end sometime this week" and that the White House was prepared to take stronger measures to force an end to the stalemate if no deal is reached this week.

Investors are monitoring a crucial week ahead for third-quarter earnings, which are revving up in the coming days with Netflix and Coca-Cola set to report on Tuesday and Tesla due Wednesday. A strong start to the earnings season so far appears to be supporting the broader market rally, particularly amid an economic data blackout due to the government shutdown.

Roughly three-quarters of the S&P 500 companies that have posted results so far have beaten expectations, according to Bank of America. Major tech companies are expected to account for a dominant portion of profits as the artificial intelligence trade remains strong, with the "Magnificent 7" companies expected to report year-over-year earnings growth of 14.9%, compared with 6.7% for the index's remaining 493 companies, per FactSet.

"If the Mag Seven can deliver on elevated profit expectations ... markets could see another leg higher. Market action on Friday and Monday might suggest investors are beginning to place their chips on Big Tech ahead of key profit reports next week," said Ameriprise Financial chief market strategist Anthony Saglimbene. "Given elevated expectations and valuations, results from this group could influence broader market direction into year-end."

"Profit outperformance, combined with stable outlooks and strong AI tailwinds, could be greeted favorably as we move through the earnings season, though some may argue stock prices already reflect these positives," Saglimbene added.

Propping up sentiment is also the market's anticipation of another quarter percentage point rate cut at the Federal Reserve's late October meeting. Consumer price index data due Friday is expected to give clues on the state of inflation, which could influence the central bank's upcoming decision.

Trade tensions between the U.S. and China are also in the spotlight. President Donald Trump has threatened an additional 100% tariff on Chinese imports beginning Nov. 1, but his optimistic comments on a potential trade deal with Beijing have assuaged fears about an escalating trade war. Trump said on Monday he expects to reach a fair deal with Beijing after his upcoming meeting with Chinese President Xi Jinping later this month in South Korea.

EUROPE & UK

European markets set to open higher, building on positive momentum

LONDON — European stocks are set to open higher on Tuesday, continuing positive momentum built at the start of the week on the back of the region's defense stocks.

European defense stocks were among the strong movers on Monday, with ThyssenKrupp gaining almost 7.9% by the end of the session following the spinout and IPO of its German warship manufacturer TKMS.

Humboldt topped the STOXX 600 index, having added almost 8%, Renk gained around 6.7%, and Rheinmetall closed 5.9% higher after U.S. President Donald Trump had another tense meeting with Volodymyr Zelenskyy over the weekend regarding Ukrainian territory.

Third-quarter earnings season is kicking into gear this week with L'Oreal and Assa Abloy due to report Tuesday. There are no major data releases Tuesday.

Looking at global markets, U.S. stock futures were slightly higher overnight after Monday's broad rally. Investors await a busy earnings week that could inform the trajectory of the markets, with Netflix and Coca-Cola set to report on Tuesday.

Elsewhere, Asia-Pacific markets traded higher overnight, with South Korea's Kospi index jumping more than 2% to hit a sixth consecutive record high, building on a rally spurred by optimism around an impending trade deal with the U.S.

South Korean stocks have been on a roll since U.S. Treasury Secretary Scott Bessent told CNBC in an exclusive interview Wednesday stateside that Washington was "about to finish up" trade negotiations with the Asian country.

Asia

South Korea's Kospi hits sixth straight record high on U.S. trade deal optimism

South Korea's Kospi index hit a record high Thursday, after the International South Korea's Kospi index jumped more than 2% Tuesday to hit a sixth consecutive record high, building on a rally spurred by optimism around an impending trade deal with the U.S.

South Korean stocks have been on a roll since U.S. Treasury Secretary Scott Bessent told CNBC in an exclusive interview Wednesday stateside that Washington was "about to finish up" trade negotiations with the Asian country.

"The devil's in the details, but we are ironing out the details," he added.

The Kospi index has risen about 61% year to date.

Auto stocks helped boost the index, with shares of Hyundai Motor climbing 6.45%, while Kia Corp added 4.28%. Heavyweight Samsung Electronics was also up 1.73%.

Japan's benchmark Nikkei 225 was last trading at 0.6%, paring gains from 1.5%, but still hitting a fresh record, after closing at an all-time high Monday.

Hardline conservative Sanae Takaichi was set to become Japan's first woman prime minister, after winning the lower house vote. She received 237 votes, clinching the majority of the 465-seat chamber, according to public broadcaster NHK.

The Topix also pared gains to rise 0.16% after hitting a record high earlier in the day.

Broader Asia-Pacific markets also opened higher, tracking Wall Street gains, led by a rally in Apple shares.

Australia's ASX/S&P 200 rose 0.50%. Shares of the country's rare earth companies rose after Prime Minister Anthony Albanese and U.S. President Donald Trump signed a critical minerals agreement Tuesday, aimed at countering China's dominance.

Hong Kong's Hang Seng Index rose 1.17% in early trading, while the Hang Seng Tech index was up 1.84%. Mainland's CSI 300 was 0.3% higher.

Hong Kong-listed shares of CATL gained 4.73% after the battery manufacturer posted strong third-quarter earnings late Monday. The Tesla battery supplier's net profit for the July-September period rose 41% to 18.5 billion yuan (\$2.6 billion).

Indian markets are closed for a holiday.

Economic Release

<i>Event</i>	<i>Survey</i>	<i>Prior</i>
EUR : -	-	-

- US and Canada**

<i>Event</i>	<i>Survey</i>	<i>Prior</i>
US : -	-	-

DOMESTIC MARKET

Stocks	Last	Close	Change	Volume
SOLIDERE A	77.2	77.5	0.00	0
SOLIDERE B	75.2	75.2	0.00	0
HOLCIM	75	75	0.00	0
BLOM	#N/A N/A	#N/A N/A	#N/A N/A	0
BLOM BANK	5.17	5.17	0.00	0
AUDI	2.77	2.77	0.00	0
BYBLOS BK	1.05	1.05	0.00	0

FOREIGN EXCHANGE

Currencies	BID	ASK
EUR/USD	1.16	1.165
GBP/USD	1.34	1.345
USD/JPY	151	151.5
USD/CAD	1.38	1.385
USD/LBP	89500	89500
USD/CHF	0.795	0.80

Commodities	Spot	Closing
GOLD	4330.68	4330.07
SILVER	51.2	51.08
CRUDE OIL	61.15	61.5

Market Summary

Commodities

GOLD

Gold's record run pauses as investors book profits

Gold prices inched lower on Tuesday, as investors booked profits after bullion hit a fresh high in the previous session on hopes of further interest rate cuts from the U.S. Federal Reserve and strong safe-haven demand.

Spot gold was down 0.3% at \$4,340.29 per ounce, as of 0248 GMT, having hit an all-time high of \$4,381.21 on Monday. U.S. gold futures for December delivery eased 0.1% to \$4,356.40 per ounce.

"Profit-taking moves and an abating of safe-haven flows combined to just take the edge off the gold price today... any pullbacks on gold will be viewed as buying opportunities whilst the Fed remains on their current rate-cutting trajectory," said KCM Trade Chief Market Analyst Tim Waterer.

Markets are fully pricing in for a quarter-point Fed rate cut this month, and another one in December, according to the CME FedWatch Tool. Gold, a non-yielding asset, tends to do well in a low interest rate environment.

"The current gold rally has further room to run on the topside provided that U.S. CPI data later this week doesn't produce any nasty upside surprises," Waterer said.

The data, scheduled for release on Friday after a delay due to the government shutdown, is expected to show that the index rose 3.1% on a year-over-year basis in September, according to economists polled by Reuters.

The U.S. government shutdown stretched to its 20th day on Monday, after senators failed for the tenth time last week to break the impasse. White House economic adviser Kevin Hassett said on Monday the shutdown was likely to end this week.

The shutdown has delayed key economic data releases, leaving investors and policymakers in a data-vacuum ahead of the Fed's policy meeting next week.

On the trade front, U.S. Treasury Secretary Scott Bessent is expected to meet Chinese Vice Premier He Lifeng in Malaysia this week to try to forestall an escalation of U.S. tariffs on Chinese goods.

OIL

Oil declines on oversupply fears

Oil prices fell Tuesday on concerns about excess supply and risks to demand stemming from tensions between the U.S. and China, the world's top two oil consumers, even as President Donald Trump said he expected to reach a trade deal.

Brent crude futures fell 14 cents, or 0.2%, at \$60.87 a barrel at 0005 GMT. The U.S. West Texas Intermediate crude (WTI) contract for November delivery, set to expire on Tuesday, eased 0.1% to \$57.45. The more-active December contract was down 13 cents, or 0.2%, at \$56.89.

U.S. President Donald Trump said Monday he expects to reach a fair trade deal with Chinese President Xi Jinping. Disputes over tariffs, technology and market access remain unresolved ahead of their planned meeting in South Korea next week.

"I think we'll end up with a very strong trade deal. Both of us will be happy," Trump said.

Ritterbusch and Associates said in a note that the near-term trading stance on crude remains bearish, favoring selling into price advances rather than buying pullbacks.

"But, we also feel that enough geopolitical uncertainty remains to occasionally offset oil balances that are becoming more negative with each passing week," they added.

U.S. crude oil stockpiles likely rose last week, a preliminary Reuters poll on Monday showed, ahead of weekly reports from the American Petroleum Institute and the Energy Information Administration.

In Russia, Rosneft-controlled Novokuibyshevsk refinery in the Volga region halted primary crude processing on Sunday following a drone attack. Separately, a strike on the Orenburg gas plant forced neighboring Kazakhstan to cut output at its Karachaganak oil and gas condensate field by 25% to 30%.

Ambiguity around Russian oil supply persists, as Trump reiterated that India could face "massive" tariffs unless it halts purchases of Russian crude. India has become the leading buyer of discounted Russian oil following Western sanctions on Moscow.

Oil prices have been falling partly due to a bearish outlook last week from the International Energy Agency, which projected the global oil market could face a surplus of nearly 4 million barrels per day in 2026, as OPEC+ producers and rivals ramp up output while demand remains sluggish.

FX

Dollar wavers with politics, credit risks and trade tensions in focus

The dollar edged up against the yen on Monday as investors shifted their focus to political developments in Japan and the euro area, while U.S. credit risk concerns lingered.

The yen weakened as hardline conservative Sanae Takaichi is almost certain to become Japan's first female prime minister after a decisive parliamentary vote.

Her expected premiership, backed by a new coalition with the right-wing Japan Innovation Party, has raised investor concerns over potential fiscal expansion, which could weigh on the yen.

"Market participants will now be watching closely to see what fiscal plans are put together by the new coalition government," said MUFG senior currency economist Lee Hardman.

The dollar was up 0.1% to 150.75 yen , after hitting 151.20 earlier in the session.

Bank of Japan board member Hajime Takata, who voted against keeping rates steady in September, reiterated on Monday his case for resuming hikes, giving the Japanese currency some support.

Japan's benchmark Nikkei stock index closed more than 3% higher, hitting an all-time peak.

The BOJ next decides monetary policy on October 30, with market-implied odds of a quarter-point rate increase at 23%, LSEG data shows.

The euro edged slightly lower against the dollar as investor caution lingered despite French political tensions easing.

Markets have yet to fully price out French risk from the euro, with the government's decision to freeze pension reform offering only a temporary political breather.

The euro was down 0.1% at \$1.1642.

U.S. stock indexes ended higher on Friday after U.S. President Donald Trump said his proposed 100% tariffs on China would not be sustainable, while upbeat quarterly results from regional banks helped ease credit risk concerns.

After a turbulent week in which some regional U.S. banks flagged bad loan and fraud issues, investors are now awaiting more earnings to check for signs of wider sector strain.

The U.S. dollar index, a measure of its value relative to a basket of other major foreign currencies, added 0.2% to 98.62. It hit 98.025 on Friday, its lowest level since October 6.

"The immediate danger seems to have passed as investors are convinced that the bankruptcies, bad loans and fraud accusations are all isolated incidents, and not part of widespread failings within the banking sector," David Morrison, senior market analyst at Trade Nation, said in a note.

Economists said the dollar's resilience will be tested on multiple fronts.

"One, the government shutdown is hurting economic activity, both directly and indirectly," said Klaus Baader, global chief economist at Societe Generale Corporate and Investment Banking (SGCIB), adding U.S.-China tensions were a second major concern.

"Three, the (import) tariffs that are already in effect continue to feed through, slowing real household income growth and weighing on corporate margins," he said.

Barclays flagged that, with no obvious catalyst to end the federal government shutdown in the next few weeks, the stoppage may extend well into November, when political and economic pressures should intensify.

The Australian dollar rose 0.39% to \$0.651 on Monday, cheered by data from top trade partner China showing its economy reasonably resilient to U.S. tariffs.

Official data showed China's economy grew 1.1% in the third quarter, topping forecasts, while industrial output also beat with a 6.5% rise. Although the 4.8% annual growth rate

Marked the weakest pace in a year, it kept China on track to meet its official target of around 5%.

Sources we believe to be reliable, but we do not guarantee or accept responsibility for its completeness and accuracy.

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