

EMKAP News Overview

Friday, October 17, 2025

UNITED STATES (\$)

U.S. equities closed lower. The S&P 500 fell 0.63%, the Nasdaq lost 0.36%, and the Dow Jones dropped 0.65%.

Trump announced plans to meet Putin in Budapest to discuss a potential resolution to the conflict in Ukraine. Meanwhile, Trump is hosting Zelenskiy at the White House today.

The Philadelphia Fed Manufacturing Index dropped sharply to -12.8 in October, its lowest level in six months, down from 23.2 in September and far below the expected 10.

Fed Governor Waller reiterated his preference for 25bps rate cuts to avoid premature easing. Fed Governor Miran, however, pushed for a more aggressive 50bps cut this month, suggesting the Fed is "set up for three 25bps cuts" by year-end.

On the corporate front, Zions Bancorporation announced a \$50 million Q3 loss tied to two California loans, sending its stock down 13%. Western Alliance shares fell 11% after the bank filed a fraud lawsuit against Cantor Group V.

U.S. Treasury yields closed lower: UST2 -7.30 bps, UST10 -5.37 bps, and UST30 -4.10 bps. Today, yields opened lower: UST2 down at 3.38%, UST10 down at 3.94%, and UST30 down at 4.55%. The yield curve moved lower over the past day: -4.43 bps for UST2, -3.64 bps for UST10, and -2.60 bps for UST30, with an average move of -3.55 bps.

Main economic data today: Speech from Fed official Musalem.

EUROPE (€)

European markets closed higher. The DAX rose 0.38%, the CAC 40 rose 1.38%, and the FTSE 100 edged up 0.12%.

In France, Prime Minister Lecornu survived two no-confidence votes. Although the government held, the narrow margin in the first vote underlines the challenges ahead, especially in pushing through next year's budget, due by year-end.

Main economic data today: Eurozone September CPI, Speeches by BoE officials Pill, Greene, and Breeden.

MIDDLE EAST (ريال)

Egypt raised fuel prices by up to 13% in the latest effort to cut subsidies under its IMF-backed reform agenda.

Yields on major Middle Eastern sovereign Eurobonds closed lower. JORDAN30 -4.40 bps, EGYPT31 -12.50 bps, KSA34 -1.60 bps, BAHRAIN31 -2.00 bps, TURKEY45 -0.90 bps, ADGB31 -0.60 bps. Today, JORDAN30 is trading at 5.49%, EGYPT31 at 6.98%, KSA34 at 4.53%, BAHRAIN31 at 5.46%, TURKEY45 at 7.62%, and ADGB31 at 3.87%.

LATAM (R\$)

JPMorgan, BofA, Goldman Sachs, and Citi are reportedly in talks with the U.S. Treasury over a potential \$20 billion emergency loan backed by Argentine assets, according to Semafor.

Yields on major Latam local sovereign bonds closed mixed. COLOMBIA10 -0.20 bps, BRAZIL10 +6.92 bps, MEXICO10 -1.30 bps. Yields on major Latam sovereign Eurobonds closed lower. COLOMBIA35 (USD) -1.80 bps, BRAZIL37 (USD) -0.40 bps, and MEXICO35 (USD) -2.00 bps.

COMMODITIES (🏠)

Oil prices closed lower, Brent fell 1.37% and WTI declined 1.39%. Brent is now trading at \$60.63, and WTI at \$57.07.

Gold gained 2.83% on Thursday and is currently trading at \$4,342.33/oz. It is on track for a ~9% weekly gain, the largest since September 2008.

HAPPY TRADING!



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