PERSPECTIVES Viewpoint FX

Paradigm shift in the currencies markets

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Key takeaways

- After a strong start to the year the USD has suffered due to tariff policy and economic concerns. The EUR, on the contrary, is benefiting from intended fiscal stimulus.
- The Bank of Japan (BoJ) is expected to speed up the process of monetary normalisation in 2025 due to significant wage hikes. The JPY may also be in demand as a "safe haven".
- Despite the U.S. tariffs already imposed on imports from China, the CNY has remained stable to date. It is supported by the PBoC and the planned fiscal stimulus and is likely to depreciate only slightly.

EUR/USD: Brighter outlook to be expected

While the USD started this year strongly, rising to a two-year high in trade-weighted terms to EUR/USD 1.0139, there has recently been a strong counter-movement.

This shift is due to several factors:

- Tariffs have become a major topic and are causing significant volatility. The financial markets have increasingly focused on the potentially dampening effects of import tariffs on the U.S. economy.
- A swathe of unexpectedly weak data from the U.S. has been reported recently, particularly regarding consumer confidence, which has also prompted some market fears of an economic downturn or even stagflation.
- The intended significant increase in spending on infrastructure and defence by the potential new governing coalition in Germany is now boosting hopes of more robust economic growth in Germany and the Eurozone.
- Recently, portfolio shifts due to the differing performance of U.S. equity markets compared to their counterparts in the Eurozone are likely to have supported the EUR. Yield spreads have also narrowed.

Another factor in the depreciation of the USD in recent weeks that should not be underestimated is the pricing-in of key interest rate cuts by the U.S. Federal Reserve. Whereas at the beginning of February only a single key interest rate cut by the Fed in December 2025 was briefly priced in – following the unexpectedly robust U.S. labour market report for January – by mid-March the market was calling for three rate cuts of 25 basis points each by December 2025.

This was prompted by a worsening of sentiment, especially among U.S. consumers, and the major uncertainties triggered by the Trump administration’s statements on U.S. trade and tariff policy, which were frequently altered at very short notice.

The swap markets, by contrast, became more sceptical about the likelihood of further key interest rate cuts by the ECB. This is due both to the proposed fiscal package of Germany’s prospective incoming government and to the potentially inflationary effects of tariffs and counter-tariffs that are threatened to come in effect from the beginning of April. The planned German fiscal package may meet with insufficient capacity on the supply side, especially in the area of infrastructure measures, and thus potentially also stoke inflation.

In addition, it is likely to have a positive effect on economic development not only in Germany, but also in some other Eurozone countries due to the intertwined economy. This should reduce the pressure on the ECB to cut key interest rates to support the Eurozone economy.

For now, a EUR/USD trading range of between 1.05 and 1.10 may seem appropriate. The elephant in the room, however, is U.S. import tariffs, the amount and extent of which may be announced to the EU on April 2.

It seems plausible that the incoming German government’s proposed fiscal easing may be able to offset the impact of the tariffs, thereby limiting their drag on growth. This would also reduce the pressure on the ECB to lower key interest rates further.

Looking at the U.S., however, the Department of Government Efficiency (DOGE) policy, the trade conflicts with Canada and Mexico and broader policy uncertainty have been key drivers of the simultaneous downward repricing of U.S. yields, equities and the USD.

While tariffs are a form of taxation, the U.S. government seems to regard import tariffs primarily as a source of revenue. If tariff revenues really do increase significantly, the question arises as to whether they can be used to offset the negative consequences on consumers' available budgets. Will the revenues be used to fund tax cuts and spending to offset their negative impact? Will there be a clear and consistent tariff framework that helps provide forward-looking visibility to business and therefore reduce economic uncertainty? If both are not achieved, the growth gap between the U.S. and the Eurozone may continue to narrow rather than widen.

To sum it up the USD reaction is likely much more ambivalent than what could have been expected at the start of the year (the expectation was: U.S. tariffs lead to higher inflation in the U.S., which leads to fewer or zero rate cuts by the Fed, which then lead to economic weakness in the export countries suffering from the tariffs, which results in a higher USD).

With the shift to fiscal support measures in Germany and probably also at the EU level and the dampening effect of tariffs on the U.S. economy, the growth rates of the EU and the U.S. are likely to converge further in the medium term. We therefore see further appreciation potential for the EUR in the medium term.

Our 12-month target for EUR/USD is 1.15.

JPY: Policy normalisation on a flexible timeline

Since the start of 2025, the JPY has appreciated around 5.5% against USD, breaking a streak of four consecutive years of depreciation. What's behind the rally? It all started with the Bank of Japan (BoJ) raising rates by a quarter basis point in January, along with expectations of the Fed cutting rates later this year. Fluctuations ahead in the USD/JPY currency pair can be linked to Japan's economic developments, the BoJ's policy moves and expectations of Fed policy action.

GDP grew an annualised 2.2% in Q4 2024, marking the third consecutive quarter of growth and beating the revised Q3 uptick of 1.4%. Growth was driven by positive net trade (exports outpaced imports), business investment and increased government spending, whereas private consumption was steady from the previous quarter. Nevertheless, retail spending advanced by 3.9% YoY, marking the 35th consecutive month of growth, as higher wages continued to bolster consumer spending.

Meanwhile, nationwide CPI dropped to 3.7% in February from 4% in January. The uptick in food prices was offset by the decline in energy prices due to the reintroduction of electricity subsidies. Core-core inflation, a closely watched measure by the BoJ that strips out the price movements of both fresh food and energy, rose 2.6% in February from 2.5% in January. Moreover, core-core inflation remained above the BoJ's 2% target for the seventh consecutive month.

One of the remarkable economic developments is the annual wage negotiations. The labour union is demanding a substantial wage hike of 5.46% for 2025, surpassing last year's notable demand of 5.28%. If this year's demand is met, this would lift real wages and support demand-driven economic growth, thereby giving the green light to the BoJ to continue its policy normalisation.

The BoJ unanimously decided to keep the key interest rate unchanged at 0.5% at its March monetary policy meeting. As the central bank already raised interest rates by 25 basis points at its January policy meeting, a hold in March was universally expected. BoJ Governor Ueda reaffirmed that policy normalisation would continue, while ensuring flexibility regarding the timing of the next hike. Ueda acknowledged that Japan's wage growth and price developments are on a promising path, potentially exceeding expectations, while simultaneously highlighting the major external uncertainties – mainly due to U.S. trade policy. Thus, as long as the domestic economic and inflation metrics remain on track, the most important factor that may influence the pace of policy moves would be growing uncertainty surrounding U.S. trade policy. However, the domestic political landscape, given the general elections scheduled for the end of July, will also be a factor impacting the policy moves.

We forecast that the Bank of Japan will continue its journey towards normalising interest rates, with three more hikes expected within the next twelve months, potentially raising the key rate to 1.25%. Since the Fed is expected to continue easing rates, this would narrow the interest rate differentials between U.S. and Japan, probably leading to JPY appreciation against the USD.

We forecast USD/JPY at 140 at the end of March 2026.

CHF: Rate cuts vs. “safe haven” flows

The CHF traded sideways against the EUR from the beginning of the year until the end of February in a well-defined trading range around EUR/CHF 0.94. This changed when initial discussions took place regarding fiscal expansion in Germany – which has since gained parliamentary approval. The resulting improved medium-term economic outlook for Germany and the Eurozone along with the easing of pressure on the ECB to lower key interest rates generated headwinds for the Swiss franc.

The Swiss Central Bank (SNB) may have welcomed the easing of some of the upward pressure on the CHF. After all, the Swiss export industry had been critical of the high external value of the CHF. And following the key interest rate cut to 0.25% on March 20, there is now not much room to lower key rates further. As both headline (0.3%) and core inflation (0.9%) exceeded expectations in February, the cycle of interest rate cuts in Switzerland may now have come to an end. In the course of the implementation of U.S. tariffs, the CHF could remain in demand as a "safe haven". However, we expect it to be somewhat weaker over the period under review.

We expect EUR/CHF to trade at 0.97 at end-March 2026.

GBP: Sticky inflation means higher rates

The British pound recently made a significant recovery from its low for the year at around GBP/USD 1.21 in mid-January to 1.30 in mid-March. One of the many reasons for this was that the GBP benefited from the headwinds the USD received from deteriorating sentiment indicators, which is why swap markets are now pricing in up to three rate cuts for the Fed instead of a single rate cut.

Furthermore, the German fiscal package is likely to stimulate economic growth in central Europe in the medium term, which should also benefit the British economy. With an increase of 0.5 percentage points to 3.0% and 3.7% respectively, British consumer prices and core inflation rose unpleasantly sharply in January.

While the British economy grew contrary to expectations in the final quarter of 2024, it struggled at the beginning of this year. At its March meeting, the Bank of England (BoE) seemed to assess the risks of inflation – which may result from the implementation of U.S. tariffs or counter-tariffs starting in April – as greater than the potential risks to economic development. The BoE's statements were generally interpreted as hawkish, and swap markets are currently pricing in fewer than two interest rate cuts by the end of the year.

Given the risks that import tariffs could pose to the U.S. economy, as well as the U.S. government's message that a weaker USD could support the U.S. export industry, and the ongoing inflationary pressures in the U.K., we can envisage a further moderate appreciation of the GBP against the USD in the medium term, similar to the EUR.

Our 12-month target for GBP/USD is 1.38.

AUD: Cautious easing phase by the RBA

In 2024, the AUD plummeted from highs against the USD in September to lows during the last days of the year. For next 12 months ahead, we believe Australia's macroeconomic conditions, the next moves of the Royal Bank of Australia (RBA) and the Fed's policy action will determine the performance of the AUD.

Australia's economy grew at its fastest rate in two years. In the last quarter of 2024, annual growth accelerated to 1.3%, compared to 0.8% in the previous quarter. This growth was driven by household spending, which accounts for half of GDP, fuelled by tax cuts, easing interest rates and a resilient labour market. Net exports and government spending also contributed to the growth.

Looking at inflation, in January 2025, the headline figure remained steady at 2.5% YoY, undershooting consensus forecast for a pick-up to 2.6%. The trimmed mean CPI, a key inflation gauge, rose by a modest 0.1 percentage points to 2.8%, thus remaining within the 2%-3% target band.

Turning to the labour market – net employment unexpectedly fell by 52,800 in February. This figure contrasts starkly with the consensus expectation of 30,000 job additions. Historically such dramatic fluctuations have often reversed in the following months – for example, in December 2023.

Despite these monthly variations, the broader labour market retains its resilience. The unemployment rate has remained steady at 4.1% over the past two months. In addition, forward-looking indicators reveal a tight labour market with large numbers of vacancies across a range of industries. This scenario is likely to call for a cautious approach by the RBA towards easing monetary policy.

For the first time in over four years, this year the RBA initiated an interest rate pivot in February, cutting rates by 25 bps to 4.1%. However, the RBA governor adopted a relatively hawkish tone and countered market expectations that further interest rate steps would be implemented soon. Market participants are thus pricing in just one 25 bps rate cut by July.

Overall, given the modest easing of inflation, the robust labour market and resilient GDP growth, we expect gradual rate cuts totalling around 75 bps over a one-year horizon, in line with market pricing of 70 bps. We therefore forecast AUD/USD to hover around 0.65 until March 2026. However, the key uncertainties remain fiscal policy commitments during campaigning for the federal election (scheduled for May 17) and ripple effects from China-US trade conflict.

Our 12-month target for AUD/USD is 0.68.

NOK: Distressing inflation data

The Norwegian central bankers are – apart from their Japanese counterparts – the only ones in the G10 who have so far refrained from easing monetary policy following the pandemic. However, Norges Bank Governor Ida Wolden Bach signalled that the first interest rate cut would be made on March 27. The latest forecast by Norges Bank Governor was that the key interest rate would be cut three times by the end of the year, to 3.75%.

However, consumer prices came under much greater upside pressure than had been expected in February. The annual headline inflation rate rose from 2.5% to 3.6%, a ten-month high, well above the 2.6% forecast by most analysts and the central bank. The price increase was broadly based. Underlying price pressure, measured by the annual core inflation rate, also rose significantly from 2.8% to 3.4%, its highest level in eight months.

Via Overnight Index Swaps (OIS), interest rate cuts of only 17 bps are now priced in for the next four meetings of the Norges Bank until August. In other words, there is only a 67% probability of any interest rate hike at all. This would make Norway the G10 country with the highest key interest rates, assuming that the expectations currently priced in by the swap markets become reality.

Like the Swedish krona, the Norwegian krone also has a strong correlation with sentiment ("beta") on European stock markets. The robust price gains since the beginning of the year have provided the NOK with a tailwind, as have the temporarily high prices of the export commodity natural gas.

After the SEK, the NOK is currently the second strongest G10 currency in 2025. For the reasons just mentioned, we expect it to remain at the current level during the period under review, subject to fluctuations.

We expect a 12-month rate in EUR/NOK at 11.40.

SEK: Strong, stronger, SEK

The SEK sits atop the G10 league table, having had its best start to a year against the EUR since 2010, and its best against the USD this century. After the Russian rouble, the SEK has been the strongest currency since the beginning of the year globally. Its appreciation in February was particularly impressive; the SEK gained more than 5% against the USD and around 3.5% against the EUR. At around EUR/SEK 10.89, the SEK was recently trading at its highest level since December 2022.

It has been boosted by:

- Strong price gains on European stock markets. Historically, there has been a high correlation between risk sentiment in European markets and the krona exchange rate due to Sweden's export orientation.
- Hopes of a ceasefire in the Russia-Ukraine war.
- The recent improvement in Swedish economic data. Retail sales were robust, and the housing market has recovered. This was partly due to the numerous interest rate cuts by the Swedish central bank to the current level of 2.25%.

The appreciation of the EUR against the USD is central to the continuing SEK revival, but an improving economic backdrop, an approaching end to the bank easing cycle and evolving yield prospects are all helping the bullish sentiment.

So far, so good. But if a risk-off mood spills over to Europe – any April 2 reciprocal tariff announcement cannot be ignored – it could temporarily dash SEK bulls' cheer. Since the SEK already has a great deal of positive sentiment priced in, we see the possibility of a slight devaluation during our observation period.

Our target for EUR/SEK is 11.20 for March 2026.

Emerging markets: Waiting for the tariffs

China is one of the countries that is in the focus of U.S. tariff policy. The U.S. has imposed 20% tariffs on China to date and it remains to be seen whether more will be added in April. When tariffs were imposed on imports from China in 2018/19 during Donald Trump's first presidency, the CNY depreciated noticeably over time, helping Chinese exporters remain competitive despite U.S. tariffs.

However, the CNY has appreciated slightly against the USD since the beginning of the year, supported by the People's Bank of China stabilising the fixing rate and preventing a devaluation. The CNY recently traded about 1% higher than its annual low in mid-January. The CNY is also receiving support from a variety of announced monetary and fiscal stimulus measures, which are intended to stimulate persistently weak consumer demand in China.

Recently deflationary tendencies have increased, with consumer prices falling by 0.7% in February compared to the previous year. However, retail sales rose slightly more than expected in the January/February period, rising by 4.0%. In the context of the relatively early Chinese New Year celebrations this year, a somewhat improved consumer sentiment was reported.

In February, both the government and Caixin Purchasing Managers' Indexes for industry and services showed values slightly above 50 points, indicating moderate growth. China's trade surplus widened significantly in February, and industrial production also exceeded expectations, growing by 5.9% YoY in the first two months. However, these are likely anticipatory effects ahead of the expected further tightening of U.S. trade policy.

We will learn more about the U.S. tariffs in April, which are likely to exert downward pressure on the CNY. However, China's government and central bank should continue to support the CNY unless a trade conflict escalates significantly, which should ensure that the CNY weakens only moderately.

We expect a moderately weaker CNY in 12 months at USD/CNY 7.45.

ZAR: Budget trouble

The ZAR has appreciated a good 3% against the USD since the beginning of the year, but it is trading significantly weaker than at its high for the year at the end of September 2024. One of the reasons for this was the postponement of the adoption of the budget due to differences of opinion within the governing coalition. The coalition partner, the Democratic Alliance (DA), does not want to support a compromise proposal presented at the beginning of March by the African National Congress (ANC) finance minister. The bones of contention include the ANC's plans to increase the value added tax (VAT) rate by 0.5 percentage points in each of the next two budget periods, a move rejected by the coalition partners.

At the same time, the budget envisages an increase in national debt as a proportion of GDP to 76.2%, which the DA also does not support. As the ANC no longer holds a majority in parliament, it would need the support of either the DA (its partner in the GNU) or alternatively one of the left-leaning parties. One could expect an intense period of negotiations in the coming weeks, but eventually the DA is likely to push for material concessions, including a new unit to look at significant spending cuts and efficiency gains, as well as an undertaking that the VAT hike is reversed. That said, the parties are currently not striking a conciliatory tone, with ANC ministers asserting contentious views and the DA having recently adopted a hardened stance due to limited consultation on other policy issues.

Should the coalition partners be able to agree on a budget that includes steps to increase revenue, this is likely to be received positively by the markets. Additional uncertainty, however, is currently caused by tensions in South Africa's relationship with the U.S., which have now culminated in the expulsion of the South African ambassador.

For now, we retain our view that the economic development is heading in the right direction. The growth outlook and unemployment have not changed much to date, the outlook remains positive, although the central bank SARB likely will point to potential upside inflation risks from a VAT hike as well as uncertainty around the country risk premium, embedded into its long-term neutral rate. The ZAR should hold up well nevertheless, but this also dependent on other EM currencies.

We expect a 12-month rate in USD/ZAR at 18.50.

BRL: Budget trouble as well

The BRL fell to a record low against the USD in December as financial markets expressed concern about a planned significant increase in government debt. Investors were concerned about structural spending growth, and, more importantly, rising debt-to-GDP, despite the strongest economy in 15 years. However, in 2025, the BRL has presented itself as one of the strongest EM currencies to date, which is certainly also due to the robust monetary policy measures of the central bank, Banco Central do Brasil (BCB).

By the time of the December decision, all inflation drivers – expectations, current inflation, the exchange rate and economic growth – were indicating significant upward pressure on prospective inflation. With more certainty on the outlook, the BCB was prompted to adopt an extraordinary two-meeting forward guidance of 100 bps hikes in January and March. These hikes were delivered. Despite the exchange rate appreciation since last December and signals of moderating economic growth, the Board decided to continue guiding expectations for the upcoming meeting by indicating another, albeit smaller, hike in May. Currently, the SELIC rate is being maintained at 14.25%.

One could interpret the preference for using forward guidance as a strategy to avoid a more dovish interpretation of the central bank's intentions. At the January meeting, the central bank introduced a new risk of a potentially sharper-than-expected deceleration in domestic growth, which market observers perceived as the highlight of what was interpreted as a dovish shift. The reaction the following day was an easing of financial conditions, contrary to what a central bank raising rates by 100 bps and committed to more tightening would, in theory, desire.

At the March central bank meeting, the explicit commitment to continue the cycle at least through the May meeting seems to have been targeted at alleviating concerns about an earlier-than-expected end to the cycle. The rest of the statement was also hawkish, primarily by avoiding mention of external downside risks and by maintaining the BCB's inflation projection well above the 3% target, with an upward asymmetry of risks. As a result, in contrast to the January meeting, financial conditions tightened following the March meeting, aligning with the BCB's intention to reduce inflation, which remains persistently above its 3% target.

Recently, the government unveiled its long-anticipated income tax reform proposal, which aims to reduce taxes for over 10 million individuals starting next year. To offset the estimated cost of this measure – officially set at BRL25.8bn – the government has drafted a bill to establish a minimum income tax rate and impose a 10% withholding tax on dividends exceeding BRL 50,000 per month per company, or on any amount if the funds are sent abroad.

We expect the BRL to stay volatile in the current environment with fiscal policy remaining the central aspect for BRL. The high carry is supportive for BRL.

Our target for USD/BRL is 6.00 for March 2026.

MXN: Tariff discussions

The uncertain development of the trade conflict with the U.S. continues to weigh heavily on the Mexican economy – despite the suspension of some of the U.S. tariffs on imports from Mexico under the USCMA agreement until the beginning of April.

Industrial production fell by 2.9% YoY in January, more than expected (minus 1.8%). This was the sharpest decline since March 2024.

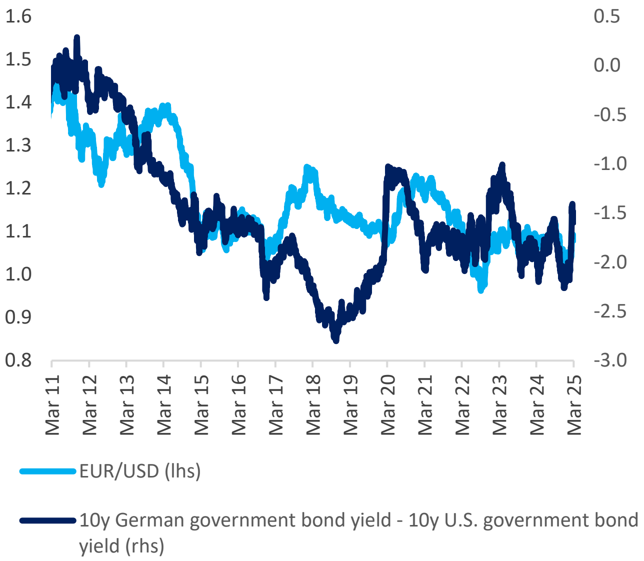
Sentiment in the manufacturing sector deteriorated further in February. The PMI fell further into contractionary territory at 47.6 points, signalling the fastest downturn in five months. The decline in sentiment among Mexican consumers continued for the fourth consecutive month in February.

The annual inflation rate rose from 3.6% to 3.8% in February, as expected, remaining within the target range of the central bank Banxico (2-4%). Furthermore, core inflation has stabilized below 3.7%.

After Banxico lowered the key interest rate to 9.5% at the beginning of February, as expected, further interest rate cuts are likely to follow – possibly as early as the end of March. The recently generally weaker USD is giving Mexican monetary authorities some breathing room. Similar to the BRL the high carry is supportive for MXN.

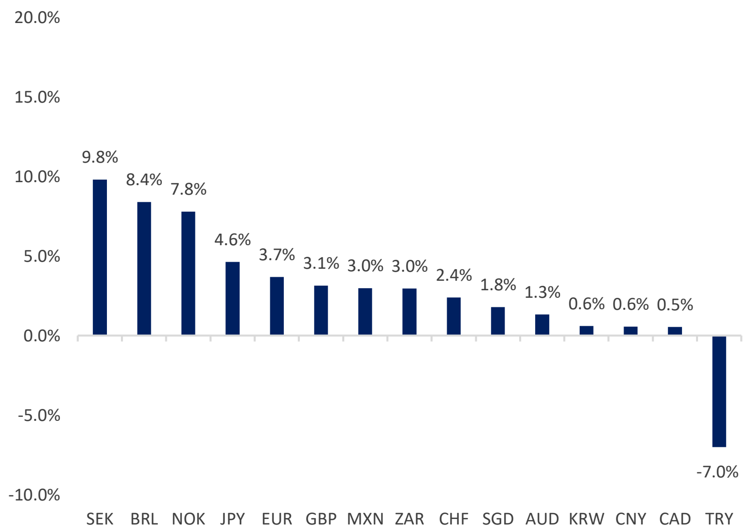
We expect a 12-month rate in USD/MXN at 20.50.

Figure 1: EUR/USD vs. spread on 10Y government bonds Germany-U.S.



Source: Refinitiv Datastream, Deutsche Bank AG. Data as of March 25, 2025.

Figure 2: Performance vs. USD YTD (%)



Source: Bloomberg Finance L.P., Deutsche Bank AG. Data as of March 25, 2025.

Figure 3: End-March forecasts

Currencies	End-March 2026
EUR vs. USD	1.15
USD vs. JPY	140
EUR vs. JPY	161
EUR vs. GBP	0.83
GBP vs. USD	1.38
EUR vs. CHF	0.97
AUD vs. USD	0.68
USD vs. CAD	1.40
EUR vs. NOK	11.40
EUR vs. SEK	11.20
USD vs. CNY	7.45
USD vs. IDR	16,200
NZD vs. USD	0.62
USD vs. ZAR	18.50
USD vs. MXN	20.50
USD vs. BRL	6.00

Source: Deutsche Bank AG. Data as of March 13, 2025.

Glossary

The **African National Congress (ANC)** is the largest political party in South Africa.

AUD is the currency code for the Australian dollar.

The **Bank of Mexico (Banxico)** is the central bank of Mexico.

Beta measures the volatility of an individual security or sector versus the overall market. Lower beta implies lower volatility.

The **Bank of England (BoE)** is the central bank of the UK.

The **Bank of Japan (BoJ)** is the central bank of Japan.

BRL is the currency code for the Brazilian real.

CAD is the currency code for the Canadian dollar.

Caixin is a Chinese media group that provide a range of financial market information.

CHF is the currency code for the Swiss franc.

CNY is the currency code for the Chinese yuan.

The **consumer price index (CPI)** measures the price of a basket of products and services that is based on the typical consumption of a private household. Measures of core inflation exclude more volatile components (e.g. food and energy) from the basket considered.

The **Democratic Alliance (DA)** is the second largest political party in South Africa.

Debt-to-GDP ratio refers to a country's government debt as a percentage of its GDP.

The **Department of Government Efficiency (DOGE)** established during the second Trump administration aims to reduce federal spending.

An **emerging market (EM)** is a country that has some characteristics of a developed market in terms of market efficiency, liquidity and other factors, but does not meet all developed market criteria.

EUR is the currency code for the euro, the currency of the Eurozone.

The **European Central Bank (ECB**) is the central bank for the Eurozone.

The **Eurozone** is formed of 20 European Union member states that have adopted the EUR as their common currency and sole legal tender.

Federal Reserve (Fed) is the central bank of the United States.

The **G10** comprises Belgium, Canada, France, Germany, Italy, Japan, the Netherlands, Sweden, Switzerland, the United Kingdom and the United States.

GBP is the currency code for the British pound sterling.

Gross domestic product (GDP) is the monetary value of all the finished goods and services produced within a country's borders in a specific time period.

The current **Government of National Unity (GNU)** in South Africa is a broad coalition government consisting of 10 parties represented in the legislature.

IDR is the currency code for the Indonesian rupiah.

JPY is the currency code for the Japanese yen.

MXN is the currency code for the Mexican peso.

NOK is the currency code for the Norwegian krone.

Norges Bank is the central bank of Norway.

An **Overnight Index Swap (OIS)** involves swapping an overnight rate for a fixed rate.

The **People's Bank of China (PBoC)** is the central bank of the People's Republic of China.

Purchasing manager indices (PMI) provide an indicator of the economic health of the manufacturing sector and are based on five major indicators: new orders, inventory levels, production, supplier deliveries and the employment environment. The composite PMI includes both manufacturing and services sectors. They can be published by public sector or private agencies (e.g. Caixin, Nikkei).

The **Reserve Bank of Australia (RBA)** is the central bank of Australia.

The **Riksbank** is the central bank of Sweden.

The **South African Reserve Bank (SARB)** is the central bank of South Africa.

SELIC (Sistema Especial de Liquidação e Custodia) rate refers to the overnight rate of the Brazilian Central Bank.

SEK is the currency code for the Swedish krona.

The **Swiss National Bank (SNB)** is the central bank of Switzerland.

United States-Mexico-Canada Agreement (USCMA) is a trade agreement that replaced NAFTA and came into force on July 1, 2020.

USD is the currency code for the U.S. Dollar.

A **value-added tax (VAT)** is levied on the value added at each stage of the production process.

ZAR is the currency code for the South African rand.

Appendix

Historical performance

Performance	28-03-2020 - 28-03-2021	28-03-2021 - 28-03-2022	28-03-2022 - 28-03-2023	28-03-2023 - 28-03-2024	27-03-2024 - 28-03-2025
EURUSD	5.86	-6.86	-1.27	-0.16	-0.49
EURJPY	7.52	5.13	4.38	15.37	-1.17
USDJPY	1.57	12.97	5.68	15.62	-0.75
EURCHF	4.49	-7.31	-2.83	-1.90	-2.82
EURGBP	-4.33	-1.87	4.72	-2.52	-2.55
GBPUSD	10.67	-5.08	-5.70	2.41	2.12
AUDUSD	23.82	-1.94	-10.42	-2.59	-3.47
EURAUD	-14.55	-5.05	10.24	2.51	3.09
USDCAD	-10.07	-0.47	8.65	-0.24	5.14
EURNOK	-13.56	-5.27	17.27	3.96	-2.78
EURSEK	-7.52	2.35	7.68	2.34	-5.91
USDCNY	-7.82	-2.58	7.91	5.09	0.50
USDIDR	-10.83	-0.38	5.04	5.09	4.48
NZDUSD	15.99	-1.50	-9.31	-3.98	-4.43
USDZAR	-14.98	-1.96	23.52	4.20	-3.69
USDBRL	12.87	-17.22	8.41	-3.51	15.04
USDMXN	-11.82	-2.25	-9.36	-9.29	22.16

Source: Deutsche Bank AG, Bloomberg Finance L.P., LSEG Datastream; Data as of March 26, 2025.

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