

Daily Market Commentary

Gulf Bank Treasury Sales Desk

**CBK USD/KWD****0.30565****0.30575****January 20, 2026**

Foreign Exchange Development

The dollar retreated for a second day in Asian trading after threats from the White House towards the European Union over the future of Greenland triggered a broad selloff across U.S. stocks and government bonds.

The dollar index, which measures the greenback's strength against a basket of six currencies, slid as much as 0.2% to 98.891 as investors worried about exposure to U.S. markets.

The euro was last up 0.1% at \$1.1658, while the British pound gained 0.1% to \$1.3437.

The Australian dollar was up 0.2% at \$0.6727, while the New Zealand dollar climbed 0.5% to \$0.58265, its highest level of this year.

Oil prices edged up, bolstered by a weaker dollar, while markets watched President Donald Trump's threats of higher U.S. tariffs on European nations over his desire to buy Greenland.

Gold and silver traded near record highs, as U.S. President Donald Trump's threats to acquire Greenland soured global sentiment and sparked a rush into safe-haven assets.

Currencies & Commodities

Currency	Price	MTD%	3M%	YTD%
EUR/USD	1.1668	-0.67	0.22	-0.67
GBP/USD	1.3448	-0.22	0.30	-0.22
USD/CHF	0.7963	0.47	0.48	0.47
USD/JPY	158.07	1.07	4.86	1.07
AUD/USD	0.6741	1.00	3.49	1.00
USD/CAD	1.385	0.89	-1.35	0.89
USD INDEX	98.89	0.57	-0.05	0.57
Gold	Silver	KWT OSP	Brent	
4700.61	94.47	61.25	64.19	

Brent - 1 Month



Economic Updates

Donald Trump linked his drive to take control of Greenland to his failure to win the Nobel Peace Prize, saying he no longer thought "purely of Peace" as the row over the island on Monday threatened to reignite a trade war with Europe.

The Bank of Japan is expected to raise its growth forecast on Friday and signal its readiness to hike interest rates further, as recent yen falls and prospects of solid wage gains keep policymakers alert to containing inflationary pressure.

Saudi Arabia is handing the scope of some Vision 2030 projects to the private sector as it adjusts timelines to avoid economic overheating, Economy Minister Faisal al-Ibrahim told Reuters.

India signed a \$3 billion deal to buy liquefied natural gas from the UAE, making it the UAE's top customer, as the leaders of both countries held talks to strengthen trade and defence ties.

Global Markets

Index	Price	Change	MTD%	YTD%
DOWJONES	49,359.33	-83.11	2.70	2.70
FTSE 100	10,195.35	-39.94	2.66	2.66
KUWAIT ALL	8,822.03	73.09	-0.96	-0.96
Benchmark	1 Month	3 Month	6 Month	12 Month
TERM SOFR	3.67328	3.66969	3.63020	3.50544
EURIBOR	1.9850	2.0330	2.1430	2.2480
KIBOR	3.3750	3.5625	3.7500	3.9375
Benchmark	1 Year	3 Year	5 Year	10 Year
US TRSY	3.516	3.659	3.833	4.259
Benchmark	ON	3 Month	6 Month	12 Month
CBK BOND	-	3.625	3.750	3.875
KONIA	1.880			
SOFR	3.660			
Country	KWT	US	EURO	UK
INT. RATES	3.500	3.750	2.00	3.750

Upcoming Indicators / Events

Date	Country	Indicator Name	Prior	Forecast
21Jan	United Kingdom	CPI YY	3	3.28
21Jan	Japan	Trade Balance Total Yen	316.70	350.72
22Jan	United States	GDP Final		4.33
22Jan	United States	Initial Jobless Clm	198.0	209.3
22Jan	United States	Consumption, Adjusted	0.40	0.46
23Jan	United Kingdom	Retail Sales MM	-0.10	-0.19
23Jan	Germany	HCOB Mfg Flash PMI	47.00	47.79

Source: Reuters and Bloomberg

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