

Foreign Exchange Development

The euro was poised for a fifth straight weekly drop, with early gains fading as oil prices erased earlier declines, but recent selling pressure was muted as France's beleaguered bond market steadied.

The dollar index, which measures the greenback against a basket of currencies, rose 0.13% to 102.25. The index was up about 0.3% on the week and on track for a fourth straight weekly gain, its longest run since May 2025.

Sterling gained 0.08% to \$1.3235 but was on track for a seventh straight week of declines, its longest stretch since November 2024.

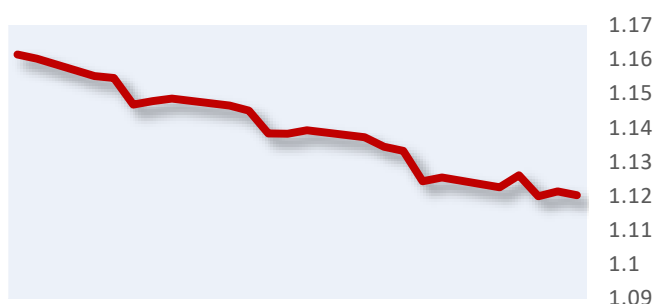
Oil prices settled higher on Friday as Hurricane Isaias churned toward the northern Gulf of Mexico and oil companies shut more than 70% of crude production in US waters.

Gold rose for a second straight session, touching a one-week high, as bargain buying emerged after bullion fell to two-month low earlier this week, while traders assessed the likelihood of further US Federal Reserve interest rate hikes.

Currencies & Commodities

Currency	Price	MTD%	3M%	YTD%
EUR/USD	1.1203	-1.12	-1.87	-4.63
GBP/USD	1.3234	-0.26	-1.16	-1.80
USD/CHF	0.8304	-0.67	2.74	4.77
USD/JPY	158.36	0.58	-2.63	1.06
AUD/USD	0.6988	0.56	0.78	4.65
USD/CAD	1.426	0.47	0.59	3.86
USD INDEX	102.23	0.77	0.98	3.98
Gold	Silver	KWT OSP	Brent	
4195.09	60.86	114.42	104.54	

EUR/USD - 1 Month



Economic Updates

US Federal Reserve Governor Christopher Waller said that additional rate hikes will likely be needed to lower inflation to the Fed's 2% target but added there was "flexibility" about the pace of increases.

US weekly jobless claims remained near 57-year lows for four straight weeks, with initial claims for state unemployment benefits in the US slipping 2,000 to a seasonally adjusted 197,000 for the week ended Oct 3.

Moody's said the UAE and Saudi Arabia are likely to account for most GCC private-credit growth, supported by regulatory reforms, institutional capital formation and government spending.

Bahrain's non-oil exports of national origin fell 56% to BHD 153m in August 2026, with Saudi Arabia remaining the largest export destination at BHD 50m, followed by the US at BHD 19m and the UAE at BHD 18m.

Global Markets

Index	Price	Change	MTD%	YTD%
DOWJONES	51,654.95	423.31	1.47	7.47
FTSE 100	10,552.05	110.45	-0.51	6.25
KUWAIT ALL	8,632.71	-34.79	-1.67	-3.09
Benchmark	1 Month	3 Month	6 Month	12 Month
TERM SOFR	3.92490	4.03887	4.19271	4.47215
EURIBOR	2.4310	2.6320	2.9090	3.1910
KIBOR	3.5000	3.6250	3.8125	4.0625
Benchmark	1 Year	3 Year	5 Year	10 Year
US TRSY	4.437	4.920	5.019	5.240
Benchmark	ON	3 Month	6 Month	12 Month
CBK BOND	-	3.625	3.750	3.875
KONIA	3.190			
SOFR	3.870			
Country	KWT	US	EURO	UK
INT. RATES	3.500	4.000	2.50	3.750

Upcoming Indicators / Events

Date	Country	Indicator Name	Prior	Forecast
13Oct	Germany	CPI Final YY	3.3	3.3
14Oct	United States	Core CPI YY, NSA	2.40	2.44
15Oct	Euro Zone	Industrial Production YY	0.00	-0.1
15Oct	United States	Initial Jobless Clm	197K	196K
16Oct	Euro Zone	HICP Final YY	3.80	0
16Oct	United States	Industrial Production MM	0	0.39

Source: Reuters and Bloomberg

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