

Daily Market Commentary

Gulf Bank Treasury Sales Desk

**CBK USD/KWD****0.30530****0.30540****December 16, 2025**

Foreign Exchange Development

The U.S. dollar sagged to near a two-month low at the start of the Asian trading session on Tuesday as markets awaited the release of a slew of economic data, including the delayed November U.S. jobs report.

The European Central Bank is expected to keep interest rates on hold, alongside Sweden's Riksbank and Norway's Norges Bank.

Against the yen, the dollar eased 0.1% to 155.07 yen, as traders braced for the BOJ's decision on Friday.

The euro was steady at \$1.17535 as peace talks to end the war in Ukraine made progress, with United States offering to provide NATO-style security guarantees for Kyiv. The British pound was flat at \$1.3376.

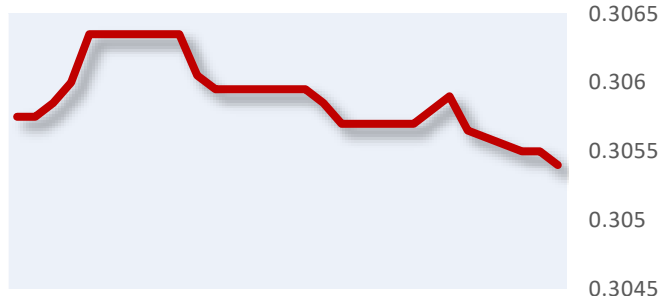
Gold prices edged higher on Tuesday, supported by a softer dollar, as investors awaited the release of key U.S. jobs data that could shape expectations for the Federal Reserve's policy path in the new year.

Oil prices fell on Tuesday, adding to the previous session's losses, as prospects for a Russia-Ukraine peace deal appeared to strengthen, raising expectations of a potential easing of sanctions.

Currencies & Commodities

Currency	Price	MTD%	3M%	YTD%
EUR/USD	1.1753	1.35	0.16	13.51
GBP/USD	1.3370	0.98	-1.40	6.83
USD/CHF	0.7963	-0.96	-0.04	-12.26
USD/JPY	154.73	-0.93	4.76	-1.36
AUD/USD	0.6637	1.36	-0.17	7.26
USD/CAD	1.3767	-1.48	-0.53	-4.27
USD INDEX	98.26	-1.20	1.68	-9.43
Gold	Silver	KWT OSP	Brent	
4284.59	62.62	60.25	60.44	

USD/KWD - 1 Month



Economic Updates

The Bank of Japan is set to raise interest rates on Friday to a three-decade high and pledge to keep hiking borrowing costs, closing the year with two rate hikes despite headwinds from U.S. tariffs and the inauguration of a dovish prime minister. While a hike still keeps its policy rate low by global standards, it would be another landmark step in Governor Kazuo Ueda's efforts to normalise monetary policy in a country long accustomed to unconventional easing and near-zero rates.

U.S. job growth likely rebounded in November following an anticipated decline in nonfarm payrolls in October because of federal government cost-cutting, economists predicted, still consistent with a gradually weakening labor market.

Most Gulf stock markets fell in early trading on Monday, tracking global peers, as investors awaited a raft of delayed U.S. economic data this week that will offer a long-anticipated read on the world's largest economy.

Global Markets

Index	Price	Change	MTD%	YTD%
DOWJONES	48,416.56	-41.49	1.47	13.80
FTSE 100	9,751.31	102.28	0.32	19.31
KUWAIT ALL	9,020.96	-62.51	1.86	22.53
Benchmark	1 Month	3 Month	6 Month	12 Month
TERM SOFR	3.73564	3.70469	3.63558	3.48776
EURIBOR	1.9340	2.0820	2.1700	2.2940
KIBOR	3.3750	3.5625	3.7500	3.9375
Benchmark	1 Year	3 Year	5 Year	10 Year
US TRSY	3.486	3.546	3.716	4.167
Benchmark	ON	3 Month	6 Month	12 Month
CBK BOND	-	3.625	3.750	3.875
KONIA	1.850			
SOFR	3.670			
Country	KWT	US	EURO	UK
INT. RATES	3.500	3.750	2.00	4.000

Upcoming Indicators / Events

Date	Country	Indicator Name	Prior	Forecast
16Dec	United Kingdom	ILO Unemployment Rate	5.000	5.07
16Dec	United States	Retail Sales MM	0.20	0.01
16Dec	United States	Non-Farm Payrolls	119.00	48.9
16Dec	United States	Unemployment Rate	4.4	4.45
17Dec	Euro Zone	HICP Final YY	2.20	2.2
18Dec	United States	Initial Jobless Clm	236.00	224.3
19Dec	Euro Zone	Consumer Confid. Flash	-14.20	-14.01

Source: Reuters and Bloomberg

The material made available in this presentation is for information purposes only and cannot be used and/or any reliance you place on such information is therefore entirely at your own risk. It is the responsibility of the user/reader to check the accuracy of relevant facts before entering into any financial or other commitment based upon them. In no event will Gulf Bank be held liable in contract, tort (including relied upon for any other purpose. Gulf Bank makes no representations or warranties of any kind, either express or implied, as to the completeness, accuracy, reliability or suitability of the information, products or services contained herein or their fitness to your business or needs whatsoever, without limitation negligence) and/or breach of statutory duty for any direct, indirect, special, incidental or consequential loss or damage (including but not limited to any economic loss and/or loss of profits) arising out of or in connection with the use of this newsletter or the information contained therein. For further information please contact our Treasury Sales Desk at TSD@gulfbank.com.kw or at 22082252 / 2440

[GBK Classification: PUBLIC]