Daily Market Commentary
Gulf Bank Treasury Sales Desk

بنك الخليج GULF BANK

CBK USD/KWD	0.30660	0.30670	September 10, 2026

Foreign Exchange Development

Currency markets treaded water as investors weighed a fresh surge in oil prices and global bond yields, while the dollar found little support ahead of inflation readings that could shape the U.S. Federal Reserve's policy outlook.

The greenback found only marginal relief, easing against major peers after an earlier move higher. The euro and sterling both edged up, last at $1.1639 and $1.3555, respectively.

The yen also stood tall near a seven-month high, up roughly 0.1% at 153.35 ahead of an expected Bank of Japan rate hike next week.

Oil prices held firm after Brent crude breached $100 a barrel, with traders bracing for deeper supply disruptions as Iran and the United States launched their largest attacks on shipping since their six-month-old conflict began.

Gold inched higher, helped by a softer dollar, while market participants awaited key U.S. inflation data that could shape the Federal Reserve's interest-rate path.

Economic Updates

The European Central Bank looks set to raise interest rates today for the second time this year, seeking to head off an energy-driven surge in inflation triggered by the Iran war.

The Bank of Japan may eventually be forced to raise interest rates rapidly if inflation accelerates given the country's loose financial conditions, board member Kazuyuki Masu said, warning of price risks that solidify the chance of a September hike.

Saudi Arabia's real GDP declined 4.7% YoY in Q2 2026, as oil activities fell 24.8%, while government and non-oil activities both grew 0.9%, Arab News reported citing GASTAT. Oil activities contributed negatively to real GDP by 5.4 percentage points, while non-oil activities contributed positively by 0.6 percentage points, with government activities and net taxes on products each contributing 0.1 percentage points.

Currencies & Commodities

Currency	Price	MTD%	3M%	YTD%
EUR/USD	1.1638	0.18	1.02	-0.92
GBP/USD	1.3556	0.13	1.60	0.59
USD/CHF	0.8094	0.11	1.61	2.11
USD/JPY	153.48	-3.94	-4.27	-2.05
AUD/USD	0.7219	0.71	2.44	8.17
USD/CAD	1.3809	-0.33	-0.90	0.61
USD INDEX	98.76	-0.68	-1.10	0.44
Gold	**Silver**	**KWT OSP**	**Brent**	
4410.00	67.46	126.62	101.84	

Global Markets

Index	Price	Change	MTD%	YTD%
DOWJONES	52,380.66	-405.41	-1.51	8.98
FTSE 100	10,670.06	-141.60	-1.42	7.44
KUWAIT ALL	8,928.01	3.27	0.34	0.23
Benchmark	**1 Month**	**3 Month**	**6 Month**	**12 Month**
TERM SOFR	3.77166	3.84037	3.96810	4.15958
EURIBOR	2.3730	2.6350	2.7960	3.1170
KIBOR	3.4375	3.5625	3.8125	4.0000
Benchmark	**1 Year**	**3 Year**	**5 Year**	**10 Year**
US TRSY	4.140	4.520	4.611	4.837
Benchmark	**ON**	**3 Month**	**6 Month**	**12 Month**
CBK BOND	-	3.625	3.750	3.875
KONIA	2.980			
SOFR	3.640			
Country	**KWT**	**US**	**EURO**	**UK**
INT. RATES	3.500	3.750	2.25	3.750

EUR/USD - 1 Month

Upcoming Indicators / Events

Date	Country	Indicator Name	Prior	Forecast
10Sep	Germany	HICP Final YY	2.9	2.9
10Sep	Euro Zone	ECB Deposit Rate	2.25	2.5
10Sep	United States	Initial Jobless Clm	206K	204K
11Sep	United Kingdom	GDP Estimate YY	1.1	1.13
11Sep	United States	CPI YY, NSA	3.40	3.39
11Sep	United States	U Mich Sentiment Prelim	51.7	51.04

Source: Reuters and Bloomberg