

Daily Market Commentary

Gulf Bank Treasury Sales Desk

**CBK USD/KWD****0.30560****0.30570****December 7, 2025**

Foreign Exchange Development

The U.S. dollar slipped on Friday but held within recent ranges against major currencies as traders awaited next week's Federal Reserve meeting, where policymakers are widely expected to cut interest rates.

The dollar index, which measures the currency against six peers, was down 0.1% at 98.994, not far from Thursday's five-week low of 98.765. For the week, the index was down 0.5%.

The euro was about flat at \$1.16433, not far from Thursday's three-week high of \$1.1681.

Sterling was about flat on the day at \$1.3329, not far from the previous session's six-week peak of \$1.3385.

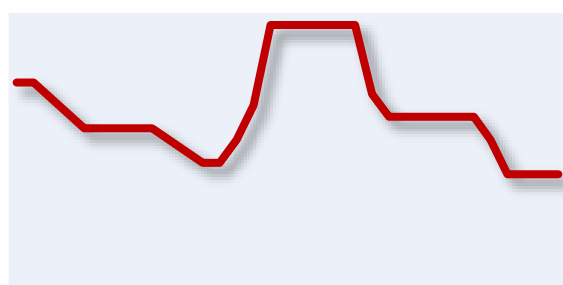
Oil prices edged up nearly 1% to a two-week high on Friday on increasing expectations the U.S. Federal Reserve will cut interest rates next week, which could boost economic growth and energy demand, as well as geopolitical uncertainty that could limit supplies from Russia and Venezuela.

Gold prices rose on Friday as mounting expectations of a U.S. Federal Reserve rate cut next week buoyed sentiment, while silver soared to a record high.

Currencies & Commodities

Currency	Price	MTD%	3M%	YTD%
EUR/USD	1.1643	0.41	-0.64	12.45
GBP/USD	1.3332	0.70	-1.31	6.54
USD/CHF	0.8048	0.09	0.79	-11.33
USD/JPY	155.35	-0.52	5.40	-0.95
AUD/USD	0.6643	1.37	1.27	7.27
USD/CAD	1.3817	-1.13	-0.10	-3.93
USD INDEX	98.99	-0.46	1.57	-8.76
Gold	Silver	KWT OSP	Brent	
4197.98	58.32	63.37	63.86	

USD/KWD - 1 Month



0.3064
0.3062
0.306
0.3058
0.3056
0.3054
0.3052

Economic Updates

U.S. consumer spending increased in September after three straight months of solid gains, suggesting a loss of momentum in the economy at the end of the third quarter as a lackluster labor market and rising cost of living curbed demand. The report from the Commerce Department also showed the annual inflation rose at its fastest pace in nearly 1-1/2 years in September. Trump's sweeping tariffs on imported goods have raised prices for consumers, though the increase has been gradual.

The European Central Bank needs to keep its policy options open at upcoming rate-setting meetings as downside inflation risks are as significant as upside one.

Consumer Price Index CPI in Kuwait increased to 137.30 points in August from 137.20 points in July of 2025. Consumer Price Index CPI in Kuwait averaged 98.27 points from 2001 until 2025, reaching an all time high of 137.30 points in August of 2025 and a record low of 65.30 points in May of 2001.

Global Markets

Index	Price	Change	MTD%	YTD%
DOWJONES	47,954.99	104.05	0.50	12.72
FTSE 100	9,667.01	-43.86	-0.55	18.28
KUWAIT ALL	8,857.17	38.01	0.01	20.30
Benchmark	1 Month	3 Month	6 Month	12 Month
TERM SOFR	3.77733	3.73844	3.66691	3.49972
EURIBOR	1.9110	2.0750	2.1470	2.2540
KIBOR	3.5625	3.8125	3.9375	4.1250
Benchmark	1 Year	3 Year	5 Year	10 Year
US TRSY	3.587	3.586	3.713	4.137
Benchmark	ON	3 Month	6 Month	12 Month
CBK BOND	-	3.875	4.000	4.125
KONIA	2.010			
SOFR	3.920			
Country	KWT	US	EURO	UK
INT. RATES	3.750	4.000	2.00	4.000

Upcoming Indicators / Events

Date	Country	Indicator Name	Prior	Forecast
08Dec	Germany	Industrial Output MM	1.300	0.14
09Dec	Japan	Corp Goods Price YY	2.70	2.63
10Dec	United States	Fed Funds Tgt Rate	3.88	3.669
11Dec	United States	International Trade \$	-59.6	-63.15
11Dec	United States	Initial Jobless Clm	191.00	221.2
12Dec	United Kingdom	GDP Estimate YY	1.10	1.36
16Dec	United States	Retail Sales MM	0.20	0.05

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]