

Foreign Exchange Development

The dollar wobbled near a 1-1/2-week high on Thursday as a standoff between Iran and the U.S. in the Middle East war and lack of progress in peace talks pulled oil prices back above \$100 per barrel, weighing on investor sentiment.

The euro was fetching \$1.1712, having touched its lowest since April 13 earlier in the session. The single currency is headed for a 0.4% decline in the week, its first drop in four weeks. Sterling stood at \$1.3497.

The U.S. dollar index was at 98.644, near its highest level since April 13.

Against the yen JPY, the U.S. dollar nudged down 0.02% to 159.48 yen.

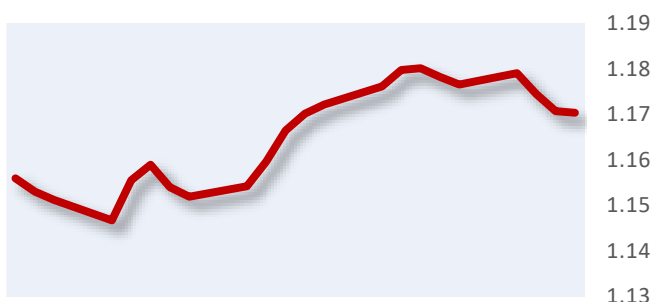
Oil prices extended their gains on Thursday in the wake of stalled peace talks between Iran and the United States, and as both nations maintained restrictions on the flow of trade through the Strait of Hormuz.

Gold fell on Thursday as elevated oil prices fuelled fears of inflation and prolonged high interest rates, while investors looked for clarity on the stalled U.S.-Iran peace talks.

Currencies & Commodities

| Currency | Price | MTD% | 3M% | YTD% |
|-----------|--------|---------|--------|-------|
| EUR/USD | 1.1703 | 1.29 | -1.06 | -0.37 |
| GBP/USD | 1.3493 | 2.04 | -1.09 | 0.14 |
| USD/CHF | 0.7855 | -1.71 | 0.68 | -0.87 |
| USD/JPY | 159.56 | 0.52 | 2.46 | 1.84 |
| AUD/USD | 0.7150 | 3.59 | 3.70 | 7.13 |
| USD/CAD | 1.3673 | -1.76 | -0.23 | -0.40 |
| USD INDEX | 98.67 | -1.29 | 0.32 | 0.36 |
| Gold | Silver | KWT OSP | Brent | |
| 4710.29 | 76.34 | 102.59 | 101.74 | |

EUR/USD - 1 Month



Economic Updates

The Bank of Japan is expected to keep interest rates steady next week but signal its readiness to hike them as soon as June, as a war-driven energy shock puts policymakers on guard against mounting inflation risks. With markets having priced out the chance of a rate increase.

The U.S. Federal Reserve will wait at least six months before cutting interest rates this year, as war-driven energy shocks reignite already-elevated inflation.

U.S. Treasury Secretary Scott Bessent said on Wednesday that a number of allies in the Gulf region and in Asia have requested currency swap lines from the United States to help deal with energy shocks and other fallout from the Middle East war. Both the U.S. and the United Arab Emirates would benefit from a proposed swap line that President Donald Trump said he was considering on Tuesday.

Global Markets

| Index | Price | Change | MTD% | YTD% |
|------------|-----------|---------|---------|----------|
| DOWJONES | 49,490.03 | 340.65 | 6.79 | 2.97 |
| FTSE 100 | 10,476.46 | -21.63 | 2.95 | 5.49 |
| KUWAIT ALL | 8,871.91 | -23.28 | 5.41 | -0.40 |
| Benchmark | 1 Month | 3 Month | 6 Month | 12 Month |
| TERM SOFR | 3.65173 | 3.66709 | 3.67925 | 3.68343 |
| EURIBOR | 1.9820 | 2.1680 | 2.3810 | 2.6550 |
| KIBOR | 3.4375 | 3.5625 | 3.8125 | 4.0000 |
| Benchmark | 1 Year | 3 Year | 5 Year | 10 Year |
| US TRSY | 3.665 | 3.827 | 3.938 | 4.319 |
| Benchmark | ON | 3 Month | 6 Month | 12 Month |
| CBK BOND | - | 3.625 | 3.750 | 3.875 |
| KONIA | 2.450 | | | |
| SOFR | 3.630 | | | |
| Country | KWT | US | EURO | UK |
| INT. RATES | 3.500 | 3.750 | 2.00 | 3.750 |

Upcoming Indicators / Events

| Date | Country | Indicator Name | Prior | Forecast |
|-------|----------------|-------------------------|-------|----------|
| 23Apr | Germany | HCOB Mfg Flash PMI | 52.2 | 51.47 |
| 23Apr | Germany | HCOB Services Flash PMI | 50.9 | 50.18 |
| 23Apr | Euro Zone | HCOB Mfg Flash PMI | 51.6 | 50.81 |
| 23Apr | Euro Zone | HCOB Services Flash PMI | 50.2 | 49.75 |
| 24Apr | United States | U Mich Sentiment Final | 47.6 | 48.5 |
| 24Apr | United Kingdom | Retail Sales YY | 2.5 | 1.58 |

Source: Reuters and Bloomberg

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