

Foreign Exchange Development

The dollar got a lift from elevated U.S. Treasury yields on Thursday as investors wagered the Federal Reserve would hike rates this year, while an impasse between the U.S. and Iran over the war in the Middle East drove more safe-haven flows.

In the broader market, the dollar held steady on Thursday, leaving the euro little changed at \$1.1716 and on track to lose 0.57% for the week, which would mark its largest decline in two months.

Sterling last bought \$1.3527 and was headed for a weekly fall of roughly 0.8%, pressured in part by political turmoil at home.

Against a basket of currencies, the U.S. dollar was last at 98.46, up 0.63% for the week thus far. It fell 0.04% against the yen to 157.83.

Oil prices rose on Thursday, with markets focusing on the high-stakes meeting between U.S. President Donald Trump and Chinese President Xi Jinping.

Gold prices ticked up on Thursday, supported by a weaker dollar, as investors focused on talks between U.S. President Donald Trump and Chinese President Xi

Currencies & Commodities

Currency	Price	MTD%	3M%	YTD%
EUR/USD	1.1715	-0.15	-1.31	-0.28
GBP/USD	1.3523	-0.60	-0.95	0.34
USD/CHF	0.7821	0.06	1.85	-1.35
USD/JPY	157.89	0.84	3.41	0.79
AUD/USD	0.7257	0.76	2.56	8.72
USD/CAD	1.3708	0.93	0.64	-0.15
USD INDEX	98.48	0.43	1.60	0.16
Gold	Silver	KWT OSP	Brent	
4702.30	87.18	121.30	105.77	

EUR/USD - 1 Month



Economic Updates

China's Xi Jinping told President Donald Trump that trade talks were making progress at the start of a two-day summit on Thursday but warned that disagreement over Taiwan could send relations down a dangerous path. Behind closed doors, Xi said negotiations between economic and trade teams on Wednesday had reached an "overall balanced and positive outcome". The U.S. and China are expected to inch toward a managed trade mechanism for non-sensitive goods this week, with each side possibly identifying some \$30 billion worth of goods on which they could reduce tariffs and sell to each other without crossing national security red lines.

The chairman of the United Arab Emirates banks federation said on Wednesday there were no concerns about increased capital outflows and a dollar shortage amid the Iran war, as the UAE seeks a currency swap arrangement with the United States. Abdul Aziz Al Ghurair said at a press conference that there was no basis for fears of capital leaving the country.

Global Markets

Index	Price	Change	MTD%	YTD%
DOWJONES	49,693.20	-11.27	0.08	3.39
FTSE 100	10,325.35	60.03	-0.52	3.97
KUWAIT ALL	8,782.08	-2.20	-0.88	-1.41
Benchmark	1 Month	3 Month	6 Month	12 Month
TERM SOFR	3.62709	3.65107	3.68531	3.79231
EURIBOR	1.9720	2.2520	2.4850	2.7980
KIBOR	3.3750	3.5625	3.7500	3.9375
Benchmark	1 Year	3 Year	5 Year	10 Year
US TRSY	3.777	4.013	4.114	4.467
Benchmark	ON	3 Month	6 Month	12 Month
CBK BOND	-	3.625	3.750	3.875
KONIA	2.710			
SOFR	3.600			
Country	KWT	US	EURO	UK
INT. RATES	3.500	3.750	2.00	3.750

Upcoming Indicators / Events

Date	Country	Indicator Name	Prior	Forecast
14May	United Kingdom	GDP Prelim YY	1	0.84
14May	United States	Initial Jobless Clm	200	205
14May	United States	Retail Sales MM	1.7	0.54
14May	Japan	Corp Goods Price YY	2.6	2.98
14May	United States	EIA-Nat Gas Chg Bcf	63	85.6
15May	United States	Industrial Production MM	-0.5	0.27

Source: Reuters and Bloomberg