Daily Market Commentary

Gulf Bank Treasury Sales Desk

بنك الخليج GULF BANK

CBK USD/KWD 0.30720 0.30730 **August 13, 2026**

Foreign Exchange Development

The dollar's advance stalled today after an overall benign U.S. inflation reading overnight spurred traders to pare back bets for a near-term Federal Reserve interest rate hike.

The dollar changed hands at 159.44 yen, close to the 160 level that some market participants see as a line in the sand following the rare joint intervention at the end of July. The action helped pull the exchange rate down from near a four-decade peak close to 164 to 155.20 over the course of three days.

The euro was little changed at $1.1523. Sterling edged down 0.05% to $1.3489 ahead of a slew of UK data due later in the day, including GDP.

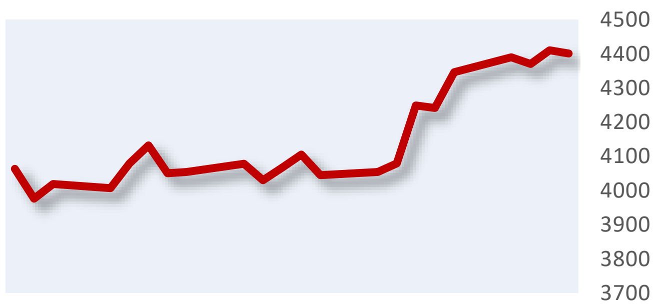
Oil prices eased today after gains in previous sessions, as attention turned to expectations of weaker global oil demand this year, while there was no progress on opening the vital Strait of Hormuz.

Gold steadied near a more than two-month high as traders paused after a rally fuelled by cooling U.S. inflation, with attention turning to an upcoming producer price report for clues to prospects of near-term Federal Reserve rate hikes.

Currencies & Commodities

Currency	Price	MTD%	3M%	YTD%
EUR/USD	1.1527	-0.02	-2.18	-1.87
GBP/USD	1.3497	0.10	-0.84	0.15
USD/CHF	0.814	0.78	4.64	2.70
USD/JPY	159.31	1.09	1.36	1.69
AUD/USD	0.7052	0.43	-2.70	5.68
USD/CAD	1.3947	-0.52	1.95	1.60
USD INDEX	99.96	0.05	1.16	1.67
Gold	**Silver**	**KWT OSP**	**Brent**	
4405.10	65.56	123.23	88.58	

Gold - 1 Month



Economic Updates

Japan's annual wholesale inflation remained elevated in July, data showed, highlighting broadening price pressures and reinforcing market expectations of an interest rate hike in September.

U.S. consumer prices barely increased in July as the cost of gasoline declined for a second straight month, while underlying inflation was benign, further reducing the odds of an interest rate hike from the Federal Reserve next month.

Kuwait has raised the official selling price (OSP) for Kuwait Export Crude (KEC) to Asia in September to $3.75 a barrel below the average of Oman/Dubai quotes, a price document reviewed by Reuters.

OPEC lowered its forecast for world oil demand growth in 2026 to 580,000 barrels per day, a copy of its monthly report showed, marking the fourth straight downward revision.

Global Markets

Index	Price	Change	MTD%	YTD%
DOWJONES	53,770.27	-21.58	2.45	11.87
FTSE 100	10,833.15	-11.04	-0.32	9.08
KUWAIT ALL	8,860.63	24.61	1.19	-0.53
Benchmark	**1 Month**	**3 Month**	**6 Month**	**12 Month**
TERM SOFR	3.64445	3.75582	3.87545	4.03302
EURIBOR	2.1520	2.4900	2.6370	2.9130
KIBOR	3.3750	3.5625	3.7500	3.9375
Benchmark	**1 Year**	**3 Year**	**5 Year**	**10 Year**
US TRSY	3.968	4.253	4.359	4.676
Benchmark	**ON**	**3 Month**	**6 Month**	**12 Month**
CBK BOND	-	3.625	3.750	3.875
KONIA	2.900			
SOFR	3.640			
Country	**KWT**	**US**	**EURO**	**UK**
INT. RATES	3.500	3.750	2.25	3.750

Upcoming Indicators / Events

Date	Country	Indicator Name	Prior	Forecast
13Aug	United Kingdom	GDP Est 3M/3M	0.7	0.43
13Aug	United Kingdom	Services MM	0.30	0.06
13Aug	United States	Initial Jobless Clm	199.00	202.4
14Aug	United States	Retail Sales MM	0.2	0.04
16Aug	Japan	GDP QQ	0.50	0.52
18Aug	United States	Industrial Production MM	0.1	0.42

Source: Reuters and Bloomberg