

Daily Market Commentary

Gulf Bank Treasury Sales Desk

**CBK USD/KWD****0.30560****0.30570****December 8, 2025**

Foreign Exchange Development

The U.S. dollar steadied on Monday after two weeks of selling, ahead of a week crammed with central bank meetings and headlined by the U.S. Federal Reserve, where an interest rate cut is all but priced in but a divided committee makes for a wild card.

The euro, which has been trading in a reasonably tight range since June, hovered at \$1.1644. The yen, which has found a footing after sliding through November, traded at 155.28 a dollar.

Sterling was pinned near its 200-day moving average at \$1.3324, while China's yuan was taking a breather at 7.068 a dollar in offshore trade.

Gold nudged higher on Monday, supported by a softer dollar as traders grew more confident the U.S. Federal Reserve will deliver an interest-rate cut at its policy meeting this week.

Oil prices hovered at two-week highs on Monday as investors expect a likely U.S. Federal Reserve interest rate cut this week to lift economic growth and energy demand, while monitoring geopolitical risk that threatens Russian and Venezuelan supply.

Currencies & Commodities

| Currency | Price | MTD% | 3M% | YTD% |
|-----------|--------|---------|-------|--------|
| EUR/USD | 1.1654 | 0.50 | -0.93 | 12.56 |
| GBP/USD | 1.3343 | 0.75 | -1.54 | 6.59 |
| USD/CHF | 0.8037 | -0.05 | 1.31 | -11.45 |
| USD/JPY | 155.15 | -0.65 | 5.17 | -1.08 |
| AUD/USD | 0.6644 | 1.44 | 0.77 | 7.34 |
| USD/CAD | 1.3825 | -1.09 | 0.15 | -3.89 |
| USD INDEX | 98.90 | -0.55 | 1.13 | -8.84 |
| Gold | Silver | KWT OSP | Brent | |
| 4210.15 | 58.00 | 63.37 | 63.86 | |

GBP/USD - 1 Month



Economic Updates

Britain's jobs market remained weak last month in the run-up to finance minister Rachel Reeves' budget on November 26 as employers worried about possible new tax increases, an industry report showed on Monday.

Official data last month showed Britain's jobless rate hit 5.0% in the third quarter, which some economists linked to tax hikes that were announced by Reeves last year and took effect in April. Wage growth cooled slightly.

Japan's economy contracted faster than initially estimated in the three months through September, primarily due to new data dragging down capital spending figures, though economists said the blip is not enough to sway the central bank.

Most stock markets in the Gulf ended higher on Sunday, buoyed by growing expectations of a U.S. Federal Reserve interest rate cut next week.

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 | 8,888.00 | 30.83 | 0.36 | 20.72 |
| 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 | 3.6250 | 3.8125 | 4.0000 | 4.1875 |
| Benchmark | 1 Year | 3 Year | 5 Year | 10 Year |
| US TRSY | 3.565 | 3.583 | 3.713 | 4.137 |
| Benchmark | ON | 3 Month | 6 Month | 12 Month |
| CBK BOND | - | 3.875 | 4.000 | 4.125 |
| KONIA | 2.000 | | | |
| 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]