

Daily Market Commentary

Gulf Bank Treasury Sales Desk



CBK USD/KWD

0.30660

0.30670

May 22, 2025

Foreign Exchange Development

U.S. fiscal concerns and a tepid auction of Treasury bonds slapped the dollar to a two-week low versus the yen on Thursday, while President Donald Trump tried to push his sweeping spending and tax-cut bill through Congress. The lacklustre 20-year bond sale reinforced the "Sell America" narrative, weighing on not just the dollar but Wall Street as well, with traders already jittery after Moody's cut the U.S. triple-A credit rating last week.

The dollar slipped to 143.27 yen early in Asia, the weakest level since May 7.

The euro was last flat at \$1.1330, after rising 0.4% on Wednesday for a third straight session of gains. Sterling was steady at \$1.3426.

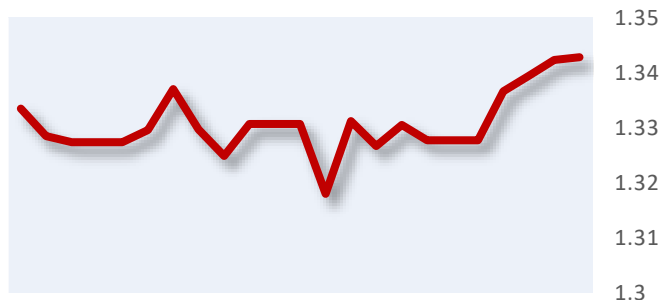
Oil prices eased on Thursday as unexpected builds in U.S. crude and fuel inventories raised demand concerns, while investors stayed cautious, focusing on renewed Iran-U.S. nuclear talks.

Gold prices rose to a two-week peak on Thursday as investors leaned toward the safe-haven asset amid mounting concerns over the U.S. government's growing debt and soft demand for 20-year Treasury bonds, highlighting low appetite for U.S. assets.

Currencies & Commodities

Currency	Price	MTD%	3M%	YTD%
EUR/USD	1.1328	-0.01	8.22	9.40
GBP/USD	1.3428	0.73	6.33	7.29
USD/CHF	0.825	-0.17	-8.06	-9.12
USD/JPY	143.31	0.15	-3.85	-8.63
AUD/USD	0.6449	0.72	1.58	4.22
USD/CAD	1.3853	0.38	-2.86	-3.68
USD INDEX	99.55	0.08	-6.41	-8.24
Gold	Silver	KWT OSP	Brent	
3337.43	33.72	66.28	64.66	

GBP/USD - 1 Month



Economic Updates

U.S. President Donald Trump's massive tax and spending bill cleared an important procedural hurdle in the Republican-controlled House of Representatives on Wednesday, when a gatekeeper committee approved the measure and set up a floor vote for passage to occur within hours.

Japan's manufacturing activity extended declines for nearly a year in May, as factories continued to take a hit from U.S. tariffs on Japanese goods.

The outlook for the U.S. economy remains weak despite a temporary cooling of the U.S.-China trade war, a Reuters poll of economists showed, with a debate over the country's fiscal health hanging in the balance.

Saudi Arabia's crude exports in March fell to 5.754 million barrels per day from 6.547 million bpd in February.

Global Markets

Index	Price	Change	MTD%	YTD%
DOWJONES	41,860.44	-816.80	2.93	-1.61
FTSE 100	8,786.46	5.34	3.43	7.51
KUWAIT ALL	8,070.02	26.89	1.39	9.61
Benchmark	1 Month	3 Month	6 Month	12 Month
TERM SOFR	4.32475	4.32850	4.26947	4.05952
EURIBOR	2.0640	2.0600	2.1210	2.0950
KIBOR	3.6875	3.9375	4.1250	4.3750
Benchmark	1 Year	3 Year	5 Year	10 Year
US TRSY	4.097	4.007	4.150	4.591
Benchmark	ON	3 Month	6 Month	12 Month
CBK BOND	-	4.125	4.250	4.375
KONIA	2.050			
SOFR	4.270			
Country	KWT	US	EURO	UK
INT. RATES	4.000	4.500	2.25	4.250

Upcoming Indicators / Events

Date	Country	Indicator Name	Prior	Forecast
22May	United Kingdom	Flash Composite PMI	48.50	49.39
22May	Germany	HCOB Mfg Flash PMI	48.4	48.77
22May	Germany	HCOB Services Flash PMI	49.00	49.45
22May	Euro Zone	HCOB Mfg Flash PMI	49.00	49.3
22May	Euro Zone	HCOB Services Flash PMI	50.10	50.26
23May	Japan	CPI, Core Nationwide YY	3.20	3.45
23May	United Kingdom	Retail Sales YY	2.60	4.32

Source: Reuters and Bloomberg

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