Daily Market Commentary
Gulf Bank Treasury Sales Desk

بنك الخليج GULF BANK

CBK USD/KWD 0.30545 0.30555 **October 15, 2025**

Foreign Exchange Development

The U.S. dollar was on the defensive early on Wednesday after comments from Federal Reserve Chair Jerome Powell bolstered wagers on an interest rate cut this month.

The greenback had lost ground to the safe-haven yen and Swiss franc on Tuesday as Washington and Beijing traded volleys in a simmering tariff spat. The euro had also gained on the dollar after the French government proposed suspending landmark pension reforms.

The dollar index was flat at 99.055 after declining 0.2% in the prior session. The greenback was steady at 151.80 yen, following a 0.3% slide on Tuesday, and was little changed at 0.8013 franc. The euro held firm at $1.1606 after gaining 0.3% in the previous session.

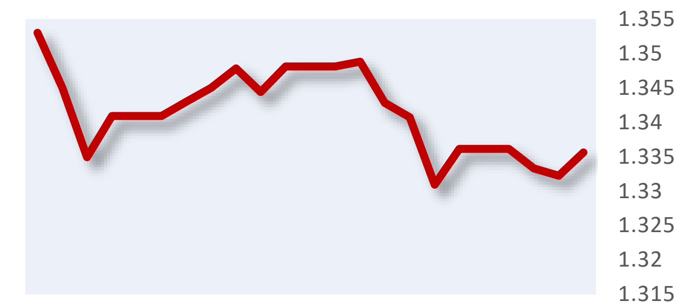
Oil prices fell on Wednesday, extending losses from the previous session, as investors weighed the International Energy Agency's warning of a supply surplus in 2026 and U.S.-China trade tensions that could curtail demand.

Gold rose to a fresh high just shy of the $4,200-per-ounce level, buoyed by rising expectations of further U.S. rate cuts, while renewed U.S.-China trade worries also boosted safe-haven demand.

Currencies & Commodities

Currency	Price	MTD%	3M%	YTD%
EUR/USD	1.1626	-0.92	0.22	12.29
GBP/USD	1.3356	-0.67	-0.21	6.71
USD/CHF	0.7996	0.43	-0.25	-11.87
USD/JPY	151.14	2.18	1.52	-3.63
AUD/USD	0.6518	-1.47	0.03	5.29
USD/CAD	1.4035	0.88	2.27	-2.41
USD INDEX	98.86	1.11	0.47	-8.88
Gold	**Silver**	**KWT OSP**	**Brent**	
4190.30	52.38	63.20	62.30	

GBP/USD - 1 Month



Economic Updates

Deflationary pressures persisted in China, with both consumer and producer prices falling in September, supporting the case for more policy measures as a prolonged property market slump and trade tensions weigh on confidence.

The U.S. labor market remained mired in its low-hiring, low-firing doldrums through September, though the economy "may be on a somewhat firmer trajectory than expected," Powell said on Tuesday, noting that policymakers will take a "meeting-by-meeting" approach to interest rate cuts as they balance job market weakness with above-target inflation.

The International Monetary Fund upgraded its 2025 economic growth forecast for Saudi Arabia on Tuesday due to a faster-than-expected unwinding of oil production cuts in the world's top crude exporter. The IMF lifted its forecast for Saudi Arabia's GDP growth in 2025 to 4%, from 3% it projected in April.

Global Markets

Index	Price	Change	MTD%	YTD%
DOWJONES	46,270.46	202.88	-0.27	8.76
FTSE 100	9,452.77	9.90	1.09	15.66
KUWAIT ALL	8,858.82	18.54	0.72	20.32
Benchmark	**1 Month**	**3 Month**	**6 Month**	**12 Month**
TERM SOFR	4.03184	3.89363	3.75141	3.54735
EURIBOR	1.8910	2.0260	2.1030	2.2010
KIBOR	3.5625	3.8125	3.9375	4.1250
Benchmark	**1 Year**	**3 Year**	**5 Year**	**10 Year**
US TRSY	3.562	3.475	3.594	4.013
Benchmark	**ON**	**3 Month**	**6 Month**	**12 Month**
CBK BOND	-	3.875	4.000	4.125
KONIA	2.080			
SOFR	4.150			
Country	**KWT**	**US**	**EURO**	**UK**
INT. RATES	3.750	4.250	2.00	4.000

Upcoming Indicators / Events

Date	Country	Indicator Name	Prior	Forecast
15Oct	Euro Zone	Industrial Production YY	1.80	-0.13
15Oct	United States	NY Fed Manufacturing	-8.7	-0.837
15Oct	Japan	Machinery Orders MM	-4.6	-0.2
16Oct	United Kingdom	GDP Estimate YY	1	1.34
16Oct	United Kingdom	Services MM	0	0.15
16Oct	United Kingdom	Industrial Output MM	-0.90	0.14
16Oct	United Kingdom	Manufacturing Output MM	-1.30	0.27

Source: Reuters and Bloomberg