

Daily Market Commentary

Gulf Bank Treasury Sales Desk



CBK USD/KWD

0.30515

0.30525

December 29, 2025

Foreign Exchange Development

The yen recovered some ground on Monday following a steep drop at the end of last week as markets weighed the timing of more interest rate hikes in Japan and the possibility of intervention in thin end-of-year trading.

The yen strengthened 0.3% against the greenback to 156.13 per dollar after a 0.5% slide on Friday.

The dollar index, which measures the greenback against a basket of currencies, fell 0.1% to 97.96. The euro advanced 0.1% to \$1.1780. The Australian dollar was little changed at \$0.6714. New Zealand's kiwi was steady at \$0.5830.

Oil prices rose on Monday as investors weighed the outcome of talks between the U.S. and Ukrainian presidents on a potential deal to end the war in Ukraine, as well as Middle East tensions that could disrupt supply.

Precious metals pulled back on Monday, with silver trading near the \$80 per ounce mark after hitting a record high earlier in the day and gold easing from near record highs, on profit-booking and geopolitical tailwinds cooling safe-haven demand.

Currencies & Commodities

Currency	Price	MTD%	3M%	YTD%
EUR/USD	1.1757	1.39	0.26	13.55
GBP/USD	1.3491	1.87	0.42	7.77
USD/CHF	0.7902	-1.74	-0.97	-12.95
USD/JPY	156.33	0.11	5.21	-0.33
AUD/USD	0.6719	2.58	2.14	8.55
USD/CAD	1.3675	-2.18	-1.74	-4.94
USD INDEX	98.10	-1.36	0.19	-9.58
Gold	Silver	KWT OSP	Brent	
4514.53	79.60	61.51	60.92	

USD/JPY - 1 Month



Economic Updates

Bank of Japan policymakers debated the need to keep raising interest rates even after a hike in December with one calling for increases every few months, a summary of opinions showed, highlighting their focus on inflationary pressures.

Profits at China's industrial firms in November fell at their fastest pace in over a year, as weak domestic demand offset resilience in exports in another sign of a stuttering economic recovery that backs calls for additional policy stimulus.

Qatar's economy grew by 2.9% year-on-year in the third quarter of the year, citing the country's National Planning Council. The council said the growth was mainly driven by a growth in non-hydrocarbon activities.

Most stock markets in the Gulf ended lower on Sunday in response to Friday's fall in oil prices amid thin holiday-season trading.

Global Markets

Index	Price	Change	MTD%	YTD%
DOWJONES	48,710.97	-20.19	2.08	14.49
FTSE 100	9,870.68	-18.54	1.54	20.77
KUWAIT ALL	8,983.54	5.47	1.44	22.02
Benchmark	1 Month	3 Month	6 Month	12 Month
TERM SOFR	3.72141	3.68558	3.61504	3.47055
EURIBOR	1.8840	2.0180	2.1190	2.2590
KIBOR	3.3750	3.5625	3.7500	3.9375
Benchmark	1 Year	3 Year	5 Year	10 Year
US TRSY	3.458	3.539	3.701	4.132
Benchmark	ON	3 Month	6 Month	12 Month
CBK BOND	-	3.625	3.750	3.875
KONIA	1.880			
SOFR	3.660			
Country	KWT	US	EURO	UK
INT. RATES	3.500	3.750	2.00	3.750

Upcoming Indicators / Events

Date	Country	Indicator Name	Prior	Forecast
31Dec	United States	Initial Jobless Clm	214	218
02Jan	United Kingdom	Nationwide house price	1.80	1.3
02Jan	Germany	HCOB Mfg PMI	47.70	47.7
05Jan	United States	ISM Manufacturing PMI	48.2	48.25
06Jan	Germany	HICP Prelim YY	2.60	2.25
06Jan	United States	ISM N-Mfg PMI	52.60	52.33
07Jan	Germany	Unemployment Chg SA	1.00	4

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]