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.

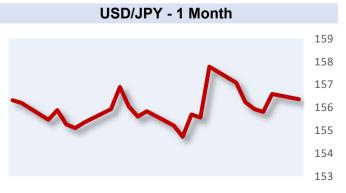
The yen strengthened 0.3% against the greenback to 156.13 per dollar after a 0.5% slide on Friday.

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			



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 holidayseason 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							

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