Daily Market Commentary
Gulf Bank Treasury Sales Desk

بنك الخليج GULF BANK

CBK USD/KWD 0.30680 0.30690 — **August 26, 2026**

Foreign Exchange Development

The dollar was rangebound in early Asian trading as an uneasy calm hung over currency markets, with investors awaiting inflation reports from major economies including the U.S. ahead of the Jackson Hole symposium this weekend.

The Australian dollar was up 0.1% at $0.7172 after the release of data showing the trimmed mean CPI inflation measure rose at an annualised rate of 3.6%.

The euro was flat at $1.1675, while the British pound was also unchanged at $1.3647.

The yen was steady at 159.14 yen, remaining firmly below levels that triggered joint intervention by U.S. and Japanese officials in the past month.

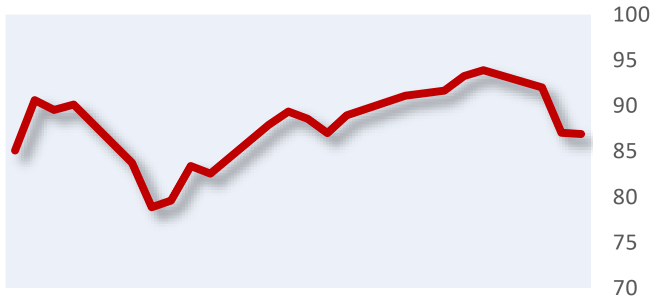
Oil prices fell more than $2 a barrel as talks between Iran and Oman revived hopes that the Strait of Hormuz could reopen and remove shipping constraints affecting supply in the key Middle East region.

Gold eased after scaling a more than three-month high in the previous session, as investors awaited a key U.S. inflation report to gauge the Fed's interest-rate path.

Currencies & Commodities

Currency	Price	MTD%	3M%	YTD%
EUR/USD	1.1667	1.21	0.33	-0.67
GBP/USD	1.3637	1.14	1.40	1.19
USD/CHF	0.8032	-0.56	2.27	1.34
USD/JPY	159	0.88	-0.21	1.47
AUD/USD	0.7183	2.28	0.20	7.63
USD/CAD	1.3863	-1.12	0.37	0.99
USD INDEX	98.98	-0.93	-0.22	0.68
Gold	**Silver**	**KWT OSP**	**Brent**	
4644.40	69.29	100.98	87.04	

Brent - 1 Month



Economic Updates

Canada hit back with retaliatory tariffs on about $20 billion worth of U.S. annual imports and rolled out aid for businesses and workers, matching Washington's latest duties dollar-for-dollar.

The Bank of Japan will move more swiftly than previously expected and raise interest rates again in September, a majority of economists said in a Reuters poll, with the terminal rate also likely to be higher.

Zawya reported that Kuwait’s fourth olefins project is moving forward after Kuwait Petroleum Corporation (KPC) confirmed the availability of the required feedstock gas and completed a market and product feasibility study.

Oman’s banking sector maintained strong momentum in H1 2026 despite the US-Israeli war with Iran, with Islamic bank and window financing rising 11% YoY to OMR 8bn, assets increasing 9% to OMR 10bn and customer deposits growing 10% to OMR 7.85bn.

Global Markets

Index	Price	Change	MTD%	YTD%
DOWJONES	53,577.40	160.24	2.08	11.47
FTSE 100	10,886.16	31.84	0.17	9.61
KUWAIT ALL	8,901.90	1.49	1.66	-0.06
Benchmark	**1 Month**	**3 Month**	**6 Month**	**12 Month**
TERM SOFR	3.68814	3.76738	3.87676	4.03142
EURIBOR	2.2220	2.5370	2.7720	2.9930
KIBOR	3.3750	3.5625	3.7500	3.9375
Benchmark	**1 Year**	**3 Year**	**5 Year**	**10 Year**
US TRSY	3.967	4.254	4.351	4.643
Benchmark	**ON**	**3 Month**	**6 Month**	**12 Month**
CBK BOND	-	3.625	3.750	3.875
KONIA	2.950			
SOFR	3.650			
Country	**KWT**	**US**	**EURO**	**UK**
INT. RATES	3.500	3.750	2.25	3.750

Upcoming Indicators / Events

Date	Country	Indicator Name	Prior	Forecast
26Aug	United States	Consumption, Adjusted	0.3	0.12
26Aug	United States	Durable Goods	0.50	0.32
27Aug	United States	Initial Jobless Clm	206.00	208
27Aug	Japan	Unemployment Rate	2.5	2.5
28Aug	Euro Zone	Consumer Confid. Final	-15.50	-15.56
01Sep	Euro Zone	HICP Flash YY	2.9	3.31

Source: Reuters and Bloomberg