

Foreign Exchange Development

The dollar held near a one-week high on Wednesday as risk sentiment soured after a hot U.S. inflation reading sent Treasury yields higher, and oil inched up on renewed Middle East uncertainty.

The euro stood at \$1.1735 and the sterling traded at \$1.3532, both down roughly 0.05% against the greenback. The U.S. dollar index was steady at 98.335, near the strongest level in a week.

The Japanese yen was largely steady at 157.715, after a sudden move stronger on Tuesday had stoked speculation of a "rate check" by authorities, which is often a precursor to currency intervention.

Oil prices fell on Wednesday, snapping a three-day rally as investors awaited developments around the fragile Middle East ceasefire and braced for a high-stakes summit in China between U.S. President Donald Trump and President Xi Jinping.

Gold prices extended losses on Wednesday as uncertainty in the Middle East and stronger-than-expected U.S. inflation data dimmed hopes for Federal Reserve rate cuts.

Currencies & Commodities

Currency	Price	MTD%	3M%	YTD%
EUR/USD	1.1737	0.03	-1.12	-0.09
GBP/USD	1.3541	-0.46	-0.81	0.48
USD/CHF	0.7806	-0.10	1.68	-1.51
USD/JPY	157.74	0.74	3.31	0.69
AUD/USD	0.7237	0.49	2.28	8.42
USD/CAD	1.3698	0.86	0.57	-0.21
USD INDEX	98.31	0.27	1.53	-0.01
Gold	Silver	KWT OSP	Brent	
4703.42	86.37	108.98	107.70	

USD/JPY - 1 Month



Economic Updates

Chicago Federal Reserve President Austan Goolsbee said on Tuesday that the government's report showing accelerating consumer inflation last month was unexpectedly disappointing. Inflation is "going the wrong way, and it's going the wrong way not just in oil-related things and not just in tariff-related things,".

European Central Bank interest rate hikes are becoming increasingly likely, unless there is a fundamental change in the inflation outlook.

Most major stock markets in the Gulf fell on Tuesday on fading hopes for a deal to end the U.S.-Israeli war on Iran, amid sharp differences between Tehran and Washington over a peace proposal. U.S. President Donald Trump said on Monday that a ceasefire with Iran was "on life support," citing disagreements over several demands, including a halt to hostilities on all fronts, the lifting of a U.S. naval blockade, the resumption of Iranian oil exports and compensation for war damage.

Global Markets

Index	Price	Change	MTD%	YTD%
DOWJONES	49,760.56	56.09	0.22	3.53
FTSE 100	10,265.32	-4.11	-1.09	3.36
KUWAIT ALL	8,784.28	-39.25	-0.86	-1.38
Benchmark	1 Month	3 Month	6 Month	12 Month
TERM SOFR	3.62852	3.64634	3.67177	3.74928
EURIBOR	1.9470	2.2540	2.4920	2.7780
KIBOR	3.3750	3.5625	3.7500	3.9375
Benchmark	1 Year	3 Year	5 Year	10 Year
US TRSY	3.788	4.019	4.119	4.461
Benchmark	ON	3 Month	6 Month	12 Month
CBK BOND	-	3.625	3.750	3.875
KONIA	2.720			
SOFR	3.600			
Country	KWT	US	EURO	UK
INT. RATES	3.500	3.750	2.00	3.750

Upcoming Indicators / Events

Date	Country	Indicator Name	Prior	Forecast
14May	United Kingdom	GDP Prelim YY	1	0.84
14May	United States	Initial Jobless Clm	200	205
14May	United States	Retail Sales MM	1.7	0.54
14May	Japan	Corp Goods Price YY	2.6	2.98
15May	United States	Industrial Production MM	-0.5	0.27
20May	Euro Zone	HICP Final YY	3	3

Source: Reuters and Bloomberg