

Foreign Exchange Development

The dollar was on the defensive at the start of a pivotal week on Monday as Donald Trump returns to the White House, with his inauguration speech later in the day the primary focus for investors hoping to decipher his immediate policies.

The Japanese yen strengthened in Asian hours, clinging to a one-month high hit last week, as traders wager the Bank of Japan will hike its policy interest rate this week. Still, trading is likely to be thin with U.S. markets closed.

The euro advanced 0.26% to \$1.029775 but still near a two-year low touched last week as tariff threats weigh. Sterling rose 0.27% to \$1.2201.

Oil prices were little changed on Monday as expectations of U.S. President-elect Donald Trump relaxing curbs on Russia's energy sector in exchange for a deal to end the Ukraine war offset concern of supply disruption from harsher sanctions.

Gold cut early losses on Monday as investors looked forward to Donald Trump's inauguration speech for clarity on the incoming administration's policies, which could offer further clues on the Federal Reserve's interest rate path.

Currencies & Commodities

Currency	Price	MTD%	3M%	YTD%
EUR/USD	1.0305	-0.48	-4.73	-0.48
GBP/USD	1.2211	-2.45	-6.00	-2.45
USD/CHF	0.913	0.63	5.40	0.63
USD/JPY	155.96	-0.58	3.37	-0.58
AUD/USD	0.6213	0.36	-6.74	0.36
USD/CAD	1.4451	0.47	4.46	0.47
USD INDEX	109.08	0.55	4.81	0.55

Gold	Silver	KWT OSP	Brent
2705.95	30.40	86.55	80.75

Brent - 1 Month



Economic Updates

China left benchmark lending rates unchanged for a third consecutive month, as expected, as a weakening yuan has limited Beijing's monetary policy easing efforts.

BOJ meets Jan 23-24, decision expected on Friday, The Bank of Japan is expected to raise interest rates on Friday barring any market shocks when U.S. President-elect Donald Trump takes office, a move that would lift short-term borrowing costs to levels unseen since the 2008 global financial crisis.

The European Central Bank is on track to lower inflation and cut interest rates but needs to have a deep think about how much further and how quickly policy should be eased, ECB board member Isabel Schnabel said in a media interview published on Sunday.

Most stock markets in the Gulf ended higher on Sunday, driven by an uptick in U.S. manufacturing output in December.

Global Markets

Index	Price	Change	MTD%	YTD%
DOWJONES	43,487.83	334.70	2.22	2.22
FTSE 100	8,505.22	113.32	4.06	4.06
KUWAIT ALL	7,540.84	13.38	2.42	2.42

Benchmark	1 Month	3 Month	6 Month	12 Month
TERM SOFR	4.30040	4.29009	4.25381	4.19425
EURIBOR	2.7980	2.7040	2.6420	2.5240
KIBOR	3.7500	4.0000	4.1875	4.3750

Benchmark	1 Year	3 Year	5 Year	10 Year
US TRSY	4.196	4.344	4.428	4.621

Benchmark	ON	3 Month	6 Month	12 Month
CBK BOND	-	4.125	4.250	4.375
KONIA	2.160			
SOFR	4.290			

Country	KWT	US	EURO	UK
INT. RATES	4.000	4.500	3.00	4.750

Upcoming Indicators / Events

Date	Country	Indicator Name	Prior	Forecast
23Jan	United States	Initial Jobless Clm	217.00	216.8
23Jan	Euro Zone	Consumer Confid. Flash	-14.5	-14.37
23Jan	Japan	CPI, Core Nationwide YY	2.70	2.96
24Jan	Germany	HCOB Mfg Flash PMI	42.50	42.46
24Jan	Euro Zone	HCOB Mfg Flash PMI	45	45.18
24Jan	United Kingdom	Flash Manufacturing PMI	47.00	46.86
24Jan	Japan	JP BOJ Rate Decision	0.25	0.453

Source: Reuters and Bloomberg