

Daily Market Commentary

Gulf Bank Treasury Sales Desk

**CBK USD/KWD****0.30565****0.30575****August 5, 2025**

Foreign Exchange Development

The U.S. dollar wavered as the rising odds of Federal Reserve rate cuts weighed on sentiment, while investors assessed the broader economic impact of U.S. tariffs unleashed last week.

The euro last bought \$1.1579 while sterling stood at \$1.3298.

The Japanese yen firmed slightly to 146.95 per dollar after minutes of its June policy meeting showed a few Bank of Japan board members said the central bank would consider resuming interest rate increases if trade frictions de-escalate.

Oil prices drifted lower on oversupply concerns as OPEC+ moved ahead with another large output hike despite a weak demand outlook, more than offsetting the potential for tighter Russian oil trade due to U.S. policies.

Gold prices steadied, hovering near a more than one-week high hit in the last session, as a softer U.S. jobs bolstered hopes of a Federal Reserve rate cut in September, weighing on the dollar and Treasury yields.

Currencies & Commodities

Currency	Price	MTD%	3M%	YTD%
EUR/USD	1.1557	1.24	2.14	11.62
GBP/USD	1.3284	0.56	-0.67	6.14
USD/CHF	0.8098	-0.34	-1.57	-10.78
USD/JPY	147.15	-2.41	2.29	-6.20
AUD/USD	0.6463	0.53	-0.11	4.41
USD/CAD	1.379	-0.47	-0.27	-4.12
USD INDEX	98.84	-1.13	-0.40	-8.89
Gold	Silver	KWT OSP	Brent	
3369.82	37.40	72.39	68.68	

Brent - 1 Month



Economic Updates

U.S. President Donald Trump again threatened to raise tariffs on goods from India over its Russian oil purchases, while New Delhi called his attack "unjustified" and vowed to protect its economic interests, deepening the trade rift between the two countries.

A few Bank of Japan board members said the central bank would consider resuming interest rate increases if trade friction de-escalates, minutes of its June policy meeting showed on Tuesday.

Saudi Arabia's non-oil private sector expanded robustly in July, albeit at a slower pace than the previous month, as job creation surged in response to strong domestic demand, the Riyadh Bank Purchasing Managers Index report showed on Tuesday.

Kuwait Finance Minister Nora Al-Fassam has resigned from her position, state news agency Kuna reported, without giving reasons for her resignation.

Global Markets

Index	Price	Change	MTD%	YTD%
DOWJONES	44,173.64	585.06	0.10	3.83
FTSE 100	9,128.30	59.72	-0.05	11.69
KUWAIT ALL	8,550.74	-43.65	-0.78	16.14
Benchmark	1 Month	3 Month	6 Month	12 Month
TERM SOFR	4.34314	4.25467	4.10356	3.87466
EURIBOR	1.8930	1.9940	2.0700	2.1470
KIBOR	3.8750	4.0625	4.2500	4.4375
Benchmark	1 Year	3 Year	5 Year	10 Year
US TRSY	3.801	3.662	3.752	4.200
Benchmark	ON	3 Month	6 Month	12 Month
CBK BOND	-	4.125	4.250	4.375
KONIA	2.200			
SOFR	4.340			
Country	KWT	US	EURO	UK
INT. RATES	4.000	4.500	2.00	4.250

Upcoming Indicators / Events

Date	Country	Indicator Name	Prior	Forecast
05Aug	Germany	HCOB Composite PMI	50.30	50.3
05Aug	United States	International Trade \$	-71.5	-62.07
07Aug	United Kingdom	BOE Bank Rate	4.25	4.003
07Aug	United States	Initial Jobless Clm	218.00	221.4
12Aug	United States	CPI MM, SA	0.30	0.2
14Aug	Japan	GDP QQ	0.00	0.11
15Aug	United States	Retail Sales MM	0.60	0.3

Source: Reuters and Bloomberg

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