

Daily Market Commentary

Gulf Bank Treasury Sales Desk

**CBK USD/KWD****0.30430****0.30440****September 17, 2025**

Foreign Exchange Development

The U.S. dollar loitered near four-year lows against the euro and a one-month trough against the yen, as traders geared up for a near-certain interest rate cut from the Federal Reserve later in the session.

The euro wobbled at \$1.1858, just below the four-year high of \$1.1878 it touched on Tuesday. Sterling was steady at \$1.3649, hovering near 2-1/2-month highs.

The Japanese yen firmed to 146.22 per dollar, its strongest in a month ahead of the Bank of Japan policy meeting on Friday where the central bank is expected to stand pat on rates.

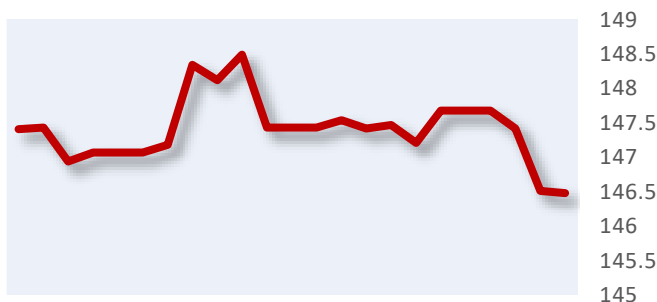
Oil prices eased slightly, after rising more than 1% in the previous session, though ongoing geopolitical jitters provided a floor under prices while traders also awaited an expected interest rate cut from the U.S. Federal Reserve.

Gold eased due to a slight uptick in the dollar and profit-taking after bullion touched a record high in the previous session on expectations of a Federal Reserve interest rate cut.

Currencies & Commodities

Currency	Price	MTD%	3M%	YTD%
EUR/USD	1.1858	1.48	3.29	14.53
GBP/USD	1.3649	1.02	1.62	9.03
USD/CHF	0.7873	-1.72	-3.64	-13.32
USD/JPY	146.48	-0.37	0.84	-6.61
AUD/USD	0.6677	2.10	3.12	7.90
USD/CAD	1.3752	0.03	0.50	-4.40
USD INDEX	96.70	-1.09	-2.23	-10.86
Gold	Silver	KWT OSP	Brent	
3680.22	41.85	73.63	68.52	

USD/JPY - 1 Month



Economic Updates

The Treasury yield curve could steepen as investors demand higher compensation for perceived fiscal and political risk amid rising pressure from the Trump administration on the U.S. Federal Reserve, bond fund managers said on Tuesday.

Japan's exports fell for a fourth straight month in August, government data showed, as elevated U.S. tariffs took a deeper toll on the country's automotive and other manufacturing sectors.

U.S. retail sales increased more than expected in August as consumers bought a range of goods and dined out, but a weakening labor market and rising prices because of tariffs pose a risk to continued strength in spending.

Most Gulf equities edged higher amid renewed confidence in energy stocks on the back of steady oil prices, and investor optimism ahead of a widely expected Fed interest rate cut.

Global Markets

Index	Price	Change	MTD%	YTD%
DOWJONES	45,757.90	-125.55	0.47	7.55
FTSE 100	9,195.66	-81.37	0.09	12.51
KUWAIT ALL	8,822.64	6.33	3.81	19.83
Benchmark	1 Month	3 Month	6 Month	12 Month
TERM SOFR	4.13584	4.02570	3.85447	3.60384
EURIBOR	1.8800	2.0330	2.1010	2.1830
KIBOR	3.8750	4.0625	4.2500	4.4375
Benchmark	1 Year	3 Year	5 Year	10 Year
US TRSY	3.594	3.473	3.583	4.022
Benchmark	ON	3 Month	6 Month	12 Month
CBK BOND	-	4.125	4.250	4.375
KONIA	2.230			
SOFR	4.510			
Country	KWT	US	EURO	UK
INT. RATES	4.000	4.500	2.00	4.000

Upcoming Indicators / Events

Date	Country	Indicator Name	Prior	Forecast
17Sep	United Kingdom	CPI YY	3.80	3.82
17Sep	Euro Zone	HICP Final MM	0.0	0.17
17Sep	United States	Fed Funds Tgt Rate	4.375	4.125
18Sep	United Kingdom	BOE Bank Rate	4	4
18Sep	United States	Initial Jobless Clm	263	242
19Sep	United Kingdom	Retail Sales MM	0.60	0.43
19Sep	Japan	JP BOJ Rate Decision	0.50	0.50

Source: Reuters and Bloomberg

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