

Daily Market Commentary

Gulf Bank Treasury Sales Desk



CBK USD/KWD

0.30540

0.30550

August 27, 2025

Foreign Exchange Development

The dollar struggled to gain ground on Wednesday as renewed investor worries about the Federal Reserve's independence undermined the currency following U.S. President Donald Trump's latest attempt to extend his power over the central bank.

Currency moves in Asia on Wednesday were largely subdued, though the dollar struggled to recoup its losses against its peers and last bought 147.52 yen.

The euro steadied at \$1.1638, while sterling was similarly little changed at \$1.3478.

Against a basket of currencies, the dollar edged marginally higher to 98.27, after falling 0.24% in the previous session.

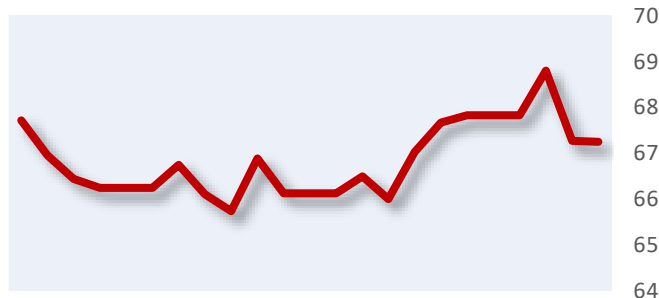
Oil prices steadied on Wednesday, after falling in the previous session, as the market watched for fresh developments in the Ukraine war and investors weighed hefty new U.S. tariffs on India, the world's third-biggest crude consumer.

Spot gold was down 0.2% at \$3,384.49 per ounce, after hitting its highest level since August 11 on Tuesday.

Currencies & Commodities

Currency	Price	MTD%	3M%	YTD%
EUR/USD	1.1616	1.75	2.53	12.19
GBP/USD	1.3449	1.84	-0.41	7.49
USD/CHF	0.8056	-0.87	-2.64	-11.25
USD/JPY	147.97	-1.85	2.52	-5.66
AUD/USD	0.6486	0.89	0.62	4.78
USD/CAD	1.3845	-0.07	0.24	-3.74
USD INDEX	98.47	-1.50	-1.41	-9.24
Gold	Silver	KWT OSP	Brent	
3375.37	38.48	72.31	67.27	

Brent - 1 Month



Economic Updates

U.S. President Donald Trump's doubling of tariffs on goods from India to as much as 50% took effect as scheduled on Wednesday, escalating tensions between the world's two largest democracies and strategic partners.

Federal Reserve Governor Lisa Cook will file a lawsuit to prevent Trump from firing her, kicking off what could be a protracted legal fight over the White House's effort to shape U.S. monetary policy.

New orders for key U.S.-manufactured capital goods increased more than expected in July, suggesting business spending on equipment got off to a strong start in the third quarter.

Most stock markets in the Gulf ended lower on Tuesday in line with global peers following Trump's removal of Federal Reserve Governor Lisa Cook, a decision that erodes trust in U.S. assets and the independence of the central bank.

Global Markets

Index	Price	Change	MTD%	YTD%
DOWJONES	45,418.07	135.60	2.92	6.75
FTSE 100	9,265.80	-55.60	1.46	13.37
KUWAIT ALL	8,579.72	-60.94	-0.44	16.53
Benchmark	1 Month	3 Month	6 Month	12 Month
TERM SOFR	4.32295	4.20496	4.05377	3.81374
EURIBOR	1.8810	2.0210	2.0700	2.1130
KIBOR	3.8125	4.0625	4.1875	4.4375
Benchmark	1 Year	3 Year	5 Year	10 Year
US TRSY	3.841	3.632	3.752	4.269
Benchmark	ON	3 Month	6 Month	12 Month
CBK BOND	-	4.125	4.250	4.375
KONIA	2.160			
SOFR	4.370			
Country	KWT	US	EURO	UK
INT. RATES	4.000	4.500	2.00	4.000

Upcoming Indicators / Events

Date	Country	Indicator Name	Prior	Forecast
28Aug	Euro Zone	Consumer Confid. Final	-15.50	-15.41
28Aug	United States	GDP 2nd Estimate	3.0	3.11
28Aug	United States	Initial Jobless Clm	235.00	231.8
28Aug	Japan	CPI, Overall Tokyo	2.90	
29Aug	Germany	CPI Prelim YY	2.00	2.11
29Aug	United States	Core PCE Price Index YY	2.80	2.91
29Aug	United States	PCE Price Index YY	2.60	2.6

Source: Reuters and Bloomberg

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