

Daily Market Commentary

Gulf Bank Treasury Sales Desk

**CBK USD/KWD****0.30675****0.30685****April 16, 2025**

Foreign Exchange Development

The dollar clung to a small bounce on Wednesday, as investors took a breather from weeks of fairly fierce selling and markets stabilised to wait for progress on U.S. trade talks.

The euro, which reached three-year highs last week, has eased from a peak of \$1.1474 to trade at \$1.1311 in the Asia morning. It is up more than 4.5% this month and was overdue a pullback and there has also been little sign of substantive progress toward any deal to avoid heavy U.S. tariffs.

Sterling, stood out and notched a six month high at \$1.3254. Britain had been spared the most punitive U.S. levies and overnight U.S. Vice President JD Vance said there was a good chance a trade deal could be struck.

Gold prices hit an all-time peak on Wednesday as a weaker dollar, escalating trade tensions and concerns over global economic growth increased demand for the safe-haven bullion.

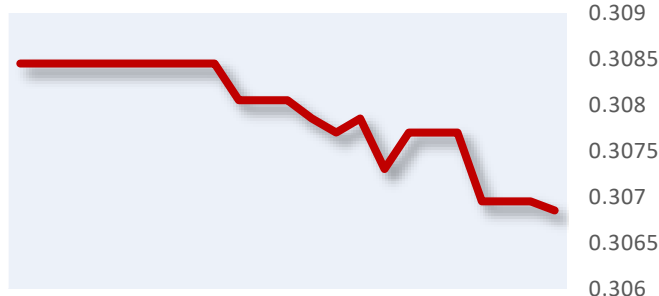
Oil prices edged lower on Wednesday, as shifting U.S. tariff policies fuelled uncertainty, prompting traders to weigh the potential impact of the U.S.-China trade war on economic growth and energy demand.

Currencies & Commodities

Currency	Price	MTD%	3M%	YTD%
EUR/USD	1.1347	4.89	10.18	9.59
GBP/USD	1.3269	2.66	8.35	5.99
USD/CHF	0.8162	-7.75	-10.42	-10.10
USD/JPY	142.49	-4.98	-8.15	-9.15
AUD/USD	0.6352	1.65	2.21	2.62
USD/CAD	1.394	-3.13	-3.18	-3.09
USD INDEX	99.68	-4.34	-8.62	-8.11

Gold	Silver	KWT OSP	Brent
3287.45	32.49	69.00	64.86

USD/KWD - 1 Month



Economic Updates

U.S. import prices unexpectedly fell in March, pulled down by decreasing costs for energy products, the latest indication that inflation was subsiding before President Donald Trump's sweeping tariffs came into effect.

The White House's import duties campaign has triggered a damaging trade war with China and plunged financial markets into turmoil. Investors are fearful of high inflation and tepid growth or even a recession.

Bank of Japan Governor Kazuo Ueda said the central bank may need to take policy action if U.S. tariffs hurt the Japanese economy, the Sankei newspaper reported on Wednesday, signalling the potential to pause the bank's rate-hike cycle.

Most stock markets in the Gulf ended higher on Tuesday after U.S. President Donald Trump suggested he might grant exemptions on auto-related levies already in place.

Global Markets

Index	Price	Change	MTD%	YTD%
DOWJONES	40,212.71	-312.08	-4.26	-5.48
FTSE 100	8,249.12	114.78	-3.89	0.93
KUWAIT ALL	7,805.44	4.67	-3.33	6.02

Benchmark	1 Month	3 Month	6 Month	12 Month
TERM SOFR	4.32813	4.27979	4.14224	3.90182
EURIBOR	2.2520	2.2520	2.2120	2.1260
KIBOR	3.7500	4.0000	4.1875	4.3750

Benchmark	1 Year	3 Year	5 Year	10 Year
US TRSY	3.968	3.822	3.958	4.323

Benchmark	ON	3 Month	6 Month	12 Month
CBK BOND	-	4.125	4.250	4.375
KONIA	2.090			
SOFR	4.330			

Country	KWT	US	EURO	UK
INT. RATES	4.000	4.500	2.50	4.500

Upcoming Indicators / Events

Date	Country	Indicator Name	Prior	Forecast
16Apr	Canada	BoC Rate Decision	2.75	2.67
16Apr	United Kingdom	Core CPI YY	3.5	3.4
16Apr	Euro Zone	HICP Final YY	2.20	2.20
16Apr	United States	Retail Sales MM	0.20	1.28
17Apr	United States	Initial Jobless Clm	223000.00	226200.00
17Apr	Euro Zone	ECB Deposit Rate	2.50	2.29
18Apr	Japan	CPI, Core Nationwide YY	3.00	3.23

Source: Reuters and Bloomberg

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