Daily Market Commentary
Gulf Bank Treasury Sales Desk

بنك الخليج GULF BANK

CBK USD/KWD 0.30540 0.30550 **October 29, 2025**

Foreign Exchange Development

The U.S. dollar drifted up from a one-week low versus major peers on Wednesday ahead of a widely expected interest rate cut by the Federal Reserve later in the day.

The Japanese yen was supported after U.S. Treasury Secretary Scott Bessent signaled the new Japanese government is open to the Bank of Japan raising rates, ahead of a policy decision on Thursday, though markets widely expect it will hold off on a hike for another few months.

The European Central Bank also decides policy on Thursday, and is expected to leave rates unchanged.
The euro eased 0.1% to $1.1637. Sterling declined 0.1% to $1.3253.

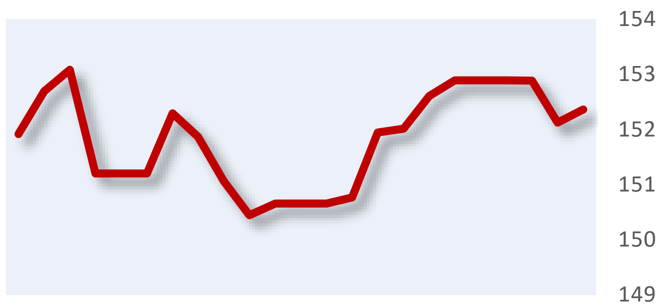
Oil prices edged lower on Wednesday, extending a three-day slide, as doubts about the effectiveness of Russia sanctions and a potential OPEC+ output increase put pressure on the market.

Gold prices inched higher on Wednesday, ahead of a widely expected interest rate cut from the Federal Reserve, although easing U.S.-China trade tensions kept bullion strength in check.

Currencies & Commodities

Currency	Price	MTD%	3M%	YTD%
EUR/USD	1.1632	-0.87	0.74	12.34
GBP/USD	1.3242	-1.51	-0.82	5.81
USD/CHF	0.7946	-0.20	-1.39	-12.42
USD/JPY	152.38	3.00	2.63	-2.86
AUD/USD	0.6599	-0.20	1.37	6.64
USD/CAD	1.3943	0.21	1.23	-3.06
USD INDEX	98.89	1.14	-0.93	-8.85
Gold	**Silver**	**KWT OSP**	**Brent**	
3960.47	47.54	67.20	64.47	

USD/JPY - 1 Month



Economic Updates

Trump landed in South Korea on Wednesday for the final leg of his Asia trip, optimistic about striking a trade war truce with Chinese President Xi Jinping after summit talks with South Korea's Lee Jae Myung.

U.S. Treasury Secretary Scott Bessent urged Japan's government to give the central bank scope to raise interest rates, escalating his warning to Tokyo against keeping the yen too weak through prolonged low borrowing costs.

U.S. consumer confidence eased to a six-month low in October amid worries about the availability of jobs in the near-term, offering more ammunition for the Federal Reserve to cut interest rates again on Wednesday.

Saudi Arabia's investment minister on Tuesday urged the kingdom's PIF sovereign wealth fund to ease its spending on domestic projects and make way for more investments from the private sector, as the fund prepares to draft a new strategic plan.

Global Markets

Index	Price	Change	MTD%	YTD%
DOWJONES	47,706.37	161.78	2.82	12.13
FTSE 100	9,696.74	42.92	3.70	18.64
KUWAIT ALL	8,904.80	41.02	1.24	20.95
Benchmark	**1 Month**	**3 Month**	**6 Month**	**12 Month**
TERM SOFR	3.96839	3.83833	3.69369	3.49682
EURIBOR	1.8860	2.0840	2.1240	2.1750
KIBOR	3.5625	3.8125	4.0000	4.1250
Benchmark	**1 Year**	**3 Year**	**5 Year**	**10 Year**
US TRSY	3.556	3.502	3.613	3.979
Benchmark	**ON**	**3 Month**	**6 Month**	**12 Month**
CBK BOND	-	3.875	4.000	4.125
KONIA	2.130			
SOFR	4.270			
Country	**KWT**	**US**	**EURO**	**UK**
INT. RATES	3.750	4.250	2.00	4.000

Upcoming Indicators / Events

Date	Country	Indicator Name	Prior	Forecast
29Oct	United States	Fed Funds Tgt Rate	4.125	3.875
30Oct	Germany	GDP Flash YY NSA	-0.20	0.19
30Oct	Euro Zone	GDP Flash Prelim YY	1.50	1.22
30Oct	Euro Zone	Consumer Confid. Final	-14.2	-14.2
30Oct	Euro Zone	ECB Deposit Rate	2.00	2.00
30Oct	Japan	JP BOJ Rate Decision	0.50	0.50
31Oct	Euro Zone	HICP Flash YY	2.20	2.07

Source: Reuters and Bloomberg