

Daily Market Commentary

Gulf Bank Treasury Sales Desk

**CBK USD/KWD****0.30455****0.30465****September 16, 2025**

Foreign Exchange Development

The dollar traded near a 2-1/2 month low against the euro and close to a 10-month trough versus the risk-sensitive Aussie on Tuesday as investors cemented bets for a Federal Reserve interest rate cut this week and more to follow.

The euro was little changed early in Asia's morning, changing hands at \$1.1765, not far from last Tuesday's high of \$1.1780, a level that had not been seen since July 28.

Sterling was steady at \$1.3605 after reaching \$1.3621 in the previous session for the first time since July 8.

The Australian dollar held firm at \$0.6672, right below Monday's high of \$0.6674, the highest since Nov 8.

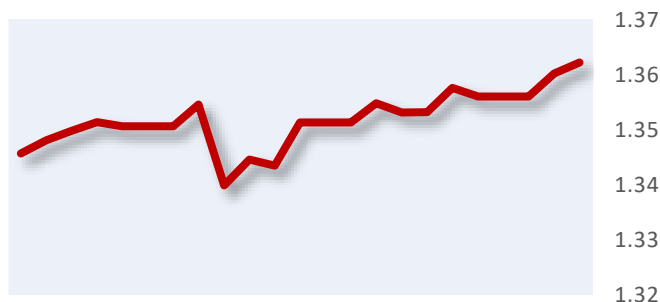
Oil prices edged up on Tuesday after rising in the previous session, as market participants contemplated potential supply disruption from Russia after Ukrainian drone attacks on its refineries.

Gold prices scaled a record peak on Tuesday, supported by a weaker dollar ahead of the Fed's policy meeting this week, where the central bank is widely expected to cut borrowing rates.

Currencies & Commodities

Currency	Price	MTD%	3M%	YTD%
EUR/USD	1.1780	0.80	1.88	13.76
GBP/USD	1.3622	0.85	0.32	8.85
USD/CHF	0.7936	-0.84	-2.51	-12.53
USD/JPY	147.04	-0.01	1.58	-6.27
AUD/USD	0.6664	1.90	2.18	7.69
USD/CAD	1.3771	0.17	1.46	-4.26
USD INDEX	97.20	-0.58	-1.63	-10.40
Gold	Silver	KWT OSP	Brent	
3684.19	42.71	74.08	Retrieving...	

GBP/USD - 1 Month



Economic Updates

A U.S. appeals court declined on Monday to allow Trump to fire Federal Reserve Governor Lisa Cook in the latest step in a legal battle that threatens the Fed's longstanding independence.

The Bank of Japan is expected to keep interest rates steady next week and signal its cautious optimism the economy appears to be weathering the hit from U.S. tariffs, a message that may keep alive expectations of another hike in borrowing costs this year.

U.S. Treasury Secretary said the Trump administration would not impose additional tariffs on Chinese goods to halt China's purchases of Russian oil unless European countries hit China and India with steep duties of their own.

The U.S. labor market appears to be deteriorating rapidly just as the country's housing market is also creaking, two negative forces that risk feeding off each other and smothering economic growth.

Global Markets

Index	Price	Change	MTD%	YTD%
DOWJONES	45,883.45	49.23	0.64	7.73
FTSE 100	9,277.03	-6.26	0.98	13.51
KUWAIT ALL	8,816.31	31.48	3.73	19.75
Benchmark	1 Month	3 Month	6 Month	12 Month
TERM SOFR	4.14288	4.02330	3.84833	3.60702
EURIBOR	1.8790	2.0000	2.1080	2.1670
KIBOR	3.8125	4.0625	4.2500	4.4375
Benchmark	1 Year	3 Year	5 Year	10 Year
US TRSY	3.616	3.498	3.602	4.034
Benchmark	ON	3 Month	6 Month	12 Month
CBK BOND	-	4.125	4.250	4.375
KONIA	2.230			
SOFR	4.420			
Country	KWT	US	EURO	UK
INT. RATES	4.000	4.500	2.00	4.000

Upcoming Indicators / Events

Date	Country	Indicator Name	Prior	Forecast
16Sep	United Kingdom	ILO Unemployment Rate	4.70	4.72
16Sep	United States	Retail Sales MM	0.5	0.23
16Sep	United States	Industrial Production MM	-0.10	-0.1
17Sep	United Kingdom	CPI YY	3.80	3.83
17Sep	United States	Fed Funds Tgt Rate	4.375	4.125
18Sep	United Kingdom	BOE Bank Rate	4.00	4.00
19Sep	United Kingdom	Retail Sales MM	0.60	0.34

Source: Reuters and Bloomberg

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