

Daily Market Commentary

Gulf Bank Treasury Sales Desk

**CBK USD/KWD****0.30500****0.30510****October 6, 2025**

Foreign Exchange Development

The yen tumbled against the U.S. dollar by the most in five months in early trading on Monday after Sanae Takaichi won the LDP leadership election at the weekend, setting the country on course for more expansionary fiscal policy and complicating the task facing the Bank of Japan.

The yen sank 1.6% to 149.81 yen on the dollar, wiping out gains it made in the past week as markets resumed trading in Asia.

Sterling was changing hands at \$1.3449, down 0.2% so far on the day. The Australian dollar fetched \$0.6603, up 0.1% in early trade.

Oil prices rose around 1.5% on Monday after OPEC+ announced a more modest monthly increase in production than expected, tempering some concerns about supply additions, though analysts expect near-term gains to be capped by a soft demand outlook.

Gold surged past the \$3,900-an-ounce level for the first time on Monday, driven by safe-haven demand following a fall in the yen, the U.S. government shutdown and the growing expectations of additional Federal Reserve rate cuts.

Currencies & Commodities

Currency	Price	MTD%	3M%	YTD%
EUR/USD	1.1720	-0.13	0.09	13.18
GBP/USD	1.3446	0.03	-1.13	7.47
USD/CHF	0.7962	-0.04	-0.33	-12.28
USD/JPY	150.33	1.63	2.94	-4.16
AUD/USD	0.6603	-0.15	1.74	6.69
USD/CAD	1.3956	0.30	1.98	-2.97
USD INDEX	98.13	0.37	0.67	-9.54
Gold	Silver	KWT OSP	Brent	
3935.51	48.53	65.94	64.39	

USD/JPY - 1 Month



Economic Updates

With Sanae Takaichi set to become Japan's prime minister, advancing expansionist economic policies, chances have risen that the central bank will avoid raising interest rates this month, though the pause may not last if it batters the yen.

The Trump administration will start mass layoffs of federal workers if President Donald Trump decides negotiations with congressional Democrats to end a partial government shutdown are "absolutely going nowhere," a senior White House official said on Sunday.

Britain's government said on Sunday it would seek to streamline the process for home-buying under its latest plans to give a boost to the property market.

Abu Dhabi's Q2 25 GDP jumped 3.8% YoY to AED 306.3bn (\$83.4bn) primarily driven by the non-oil economy, which grew 6.6% YoY to AED 174.1bn.

Global Markets

Index	Price	Change	MTD%	YTD%
DOWJONES	46,758.28	238.56	0.78	9.91
FTSE 100	9,491.25	63.52	1.51	16.13
KUWAIT ALL	8,791.86	18.51	-0.04	19.41
Benchmark	1 Month	3 Month	6 Month	12 Month
TERM SOFR	4.10159	3.93549	3.78802	3.58301
EURIBOR	1.9390	2.0200	2.0950	2.2240
KIBOR	3.6250	3.8125	4.0000	4.1250
Benchmark	1 Year	3 Year	5 Year	10 Year
US TRSY	3.610	3.605	3.732	4.150
Benchmark	ON	3 Month	6 Month	12 Month
CBK BOND	-	3.875	4.000	4.125
KONIA	2.110			
SOFR	4.200			
Country	KWT	US	EURO	UK
INT. RATES	3.750	4.250	2.00	4.000

Upcoming Indicators / Events

Date	Country	Indicator Name	Prior	Forecast
06Oct	Euro Zone	Retail Sales MM	-0.50	0.09
07Oct	United States	International Trade \$	-78.3	-61.66
07Oct	Germany	Industrial Orders MM	-2.9	1.4
07Oct	United Kingdom	Halifax House Prices YY	2	2.189
09Oct	Germany	Exports MM SA	-1	0.02
09Oct	Germany	Imports MM SA	-0.10	-0.68
15Oct	United States	CPI MM, SA	0.40	0.35

Source: Reuters and Bloomberg

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