

Daily Market Commentary

Gulf Bank Treasury Sales Desk

**CBK USD/KWD****0.30585****0.30595****July 31, 2025**

Foreign Exchange Development

The yen edged marginally higher following the Bank of Japan's upward revision to its inflation forecasts and cautiously optimistic view on the economic outlook, even as it chose to stand pat on rates.

The euro was last 0.1% higher at \$1.1412, having slid to a seven-week low in the previous session. It was on track to lose 3.2% for the month.

Sterling languished near a 2-1/2-month low and last traded at \$1.3255. It was similarly headed for a nearly 3.5% monthly decline.

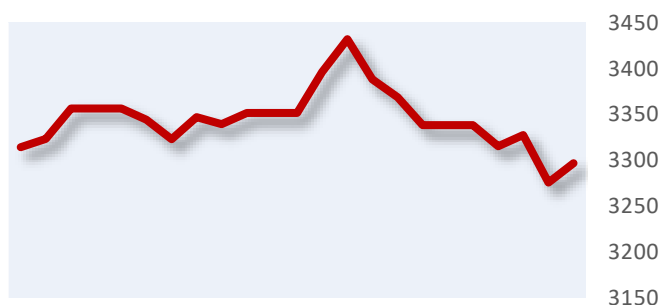
Oil prices steadied as investors weighed the risk of supply shortages amid U.S. President Donald Trump's push for a swift resolution to the war in Ukraine through more tariffs, though a surprise build in U.S. crude stocks weighed on prices.

Gold prices rebounded from a one-month low hit in the previous session, as trade uncertainty stemming from fresh U.S. tariff announcements lifted the bullion's appeal, even as expectations of a U.S. rate cut in September eased.

Currencies & Commodities

Currency	Price	MTD%	3M%	YTD%
EUR/USD	1.1438	-2.97	0.96	10.46
GBP/USD	1.3270	-3.40	-0.45	6.03
USD/CHF	0.8127	2.42	-1.66	-10.47
USD/JPY	148.92	3.37	4.05	-5.08
AUD/USD	0.6466	-1.75	0.98	4.49
USD/CAD	1.3821	1.54	0.13	-3.92
USD INDEX	99.66	2.87	-0.59	-8.14
Gold	Silver	KWT OSP	Brent	
3296.92	37.23	75.95	73.58	

Gold - 1 Month



Economic Updates

The Bank of Japan revised up its inflation forecasts on Thursday and offered a less gloomy outlook on the economy than three months ago, keeping alive the possibility of a resumption in interest rate hikes this year.

The U.S. central bank held interest rates steady and Federal Reserve Chair Jerome Powell's comments after the decision undercut confidence that borrowing costs would begin to fall in September, possibly stoking the ire of President Donald Trump who has demanded immediate and steep rate relief.

Major Gulf equities rebounded in volatile trade as investors shrugged off underwhelming earnings and rotated into selective buying ahead of key corporate results and the U.S. Federal Reserve's policy decision, due later in the day.

Global Markets

Index	Price	Change	MTD%	YTD%
DOWJONES	44,461.28	-171.71	0.83	4.51
FTSE 100	9,136.94	0.62	4.29	11.79
KUWAIT ALL	8,064.76	-488.23	1.50	16.56
Benchmark	1 Month	3 Month	6 Month	12 Month
TERM SOFR	4.35363	4.29619	4.18199	3.98338
EURIBOR	1.9010	2.0260	2.0830	2.1160
KIBOR	3.8125	4.0625	4.2500	4.4375
Benchmark	1 Year	3 Year	5 Year	10 Year
US TRSY	4.111	3.869	3.945	4.348
Benchmark	ON	3 Month	6 Month	12 Month
CBK BOND	-	4.125	4.250	4.375
KONIA	2.240			
SOFR	4.360			
Country	KWT	US	EURO	UK
INT. RATES	4.000	4.500	2.00	4.250

Upcoming Indicators / Events

Date	Country	Indicator Name	Prior	Forecast
31Jul	Germany	CPI Prelim YY	2.00	1.92
31Jul	United States	Consumption, Adjusted	-0.1	0.38
31Jul	United States	Core PCE Price Index MM	0.20	0.29
31Jul	United States	Initial Jobless Clm	217.00	223.1
01Aug	Euro Zone	HICP Flash YY	2.00	1.89
01Aug	United States	Non-Farm Payrolls	147.00	110
01Aug	United States	Unemployment Rate	4.10	4.19

Source: Reuters and Bloomberg

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