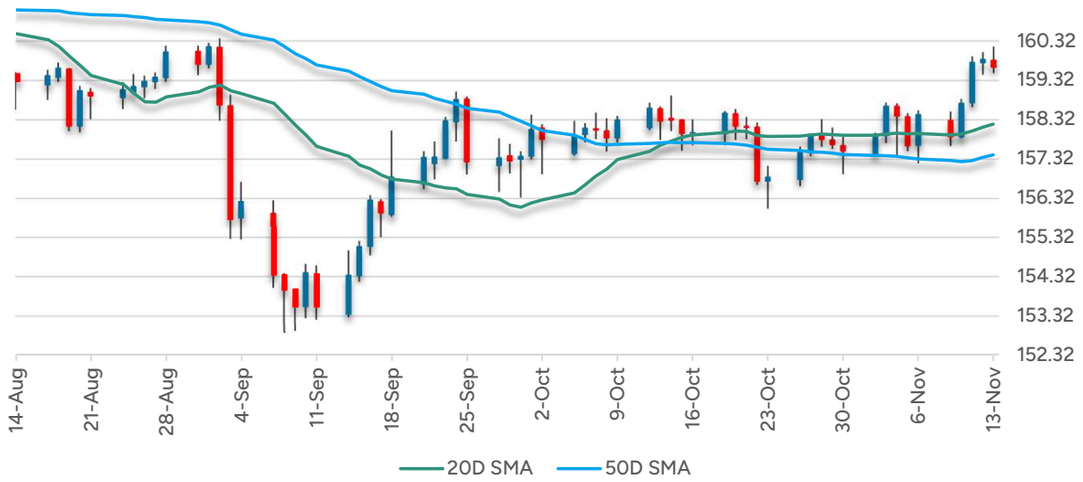
بيت التمويل الكويتي
KFH

Market Commentary
KFH Treasury

Report produced on
15-Nov-2026

Forex Market

JAPANESE YEN



CLOSE	1M %chg	3M %chg
159.66	1.06%	0.23%

COMMENT-USD/JPY bulls face intervention risk as 160 level is tested
13 Nov 2026 07:37:51 PM
New USD/JPY bulls may soon have to contend with another bout of Japanese intervention risk. The dollar remains supported by expectations of further Fed tightening as long as inflation is above target and US growth resilient. Equities have also stayed firm despite AI-related volatility, while favorable year-end seasonals could fuel further yen selling and another Santa Claus equity rally. Hawkish Fed rhetoric, including talk of a potential 50bp hike, has pushed three-month forward points to their most dollar-supportive levels this year, reinforcing USD/JPY's uptrend alongside a supportive risk backdrop. At the same time, rising option convexity suggests markets are increasingly pricing intervention risk as USD/JPY tests the key 160.00 level, even though positioning data indicates yen shorts are not yet stretched.

EURO



CLOSE	1M %chg	3M %chg
1.1021	-1.76%	-4.74%

COMMENT-Bearish influences build for EUR/USD
13 Nov 2026 07:33:11 PM
EUR/USD fell to a fresh 19-month low on Friday, and more weakness looks likely. Expectations for Fed policy, inflation-rate markets and technical signals all point lower level for EUR/USD, and together they should limit any rally. US 2-year US2YT=RR and 10-year US10YT=RR yields rose sharply this week, and September 2027 SOFR futures SRAU27 prices fell significantly as investors priced in a more hawkish Fed, fueled largely by unexpectedly strong US CPI data. Bank of America reinforced that view by adding a 25bp hike at the January meeting to its forecast. It still expects hikes at the December and March meetings. Inflation-rate markets reinforce the bearish case. US breakeven inflation rates USBEI2Y=RR and inflation-linked swap rates USIL5YF5Y=R are rising across the 2-, 5- and 10-year tenors. That supports the idea that the Fed may need to raise rates more than markets previously expected.

Forex Market

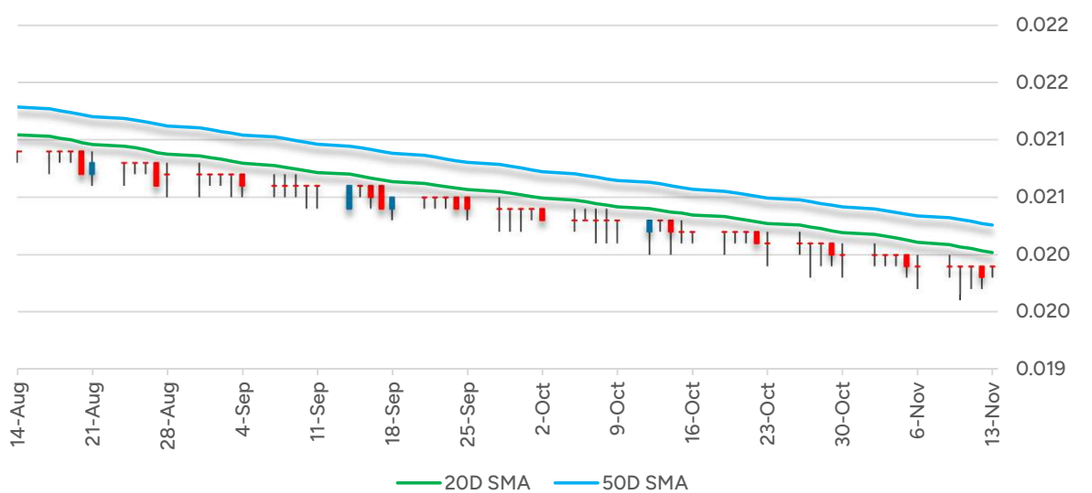
POUND STERLING



CLOSE	1M %chg	3M %chg
1.3215	-0.44%	-2.33%

Sterling slide extended amid rising UST yields, further Nasdaq selling
13 Nov 2026 10:22:49 PM
* GBP$ soft into NY close, -0.2% at 1.3215 in NY afternoon, NorAm range 1.3251-1.3205
* US PPI data a touch below f/c, still relatively high; in line w/higher CPI earlier in week
* UST yields elevated, curve bear-steepening; Nasdaq remains offered aids USD haven buying
* Long-end gilt yields rising; resumption of UK fiscal concerns aids GBP weakness
* Next week's UK employment data Nov 17, CPI Nov 18 in focus for BoE policy clues
* GBP$ supt 1.3205 Friday low, 1.3160 lower 30-d Bolli, 1.3137 October 14 daily low
* Res 1.3251 Friday high, 1.3300 psychological lvl, 1.3321 flat 30-DMA

TURKISH LIRA

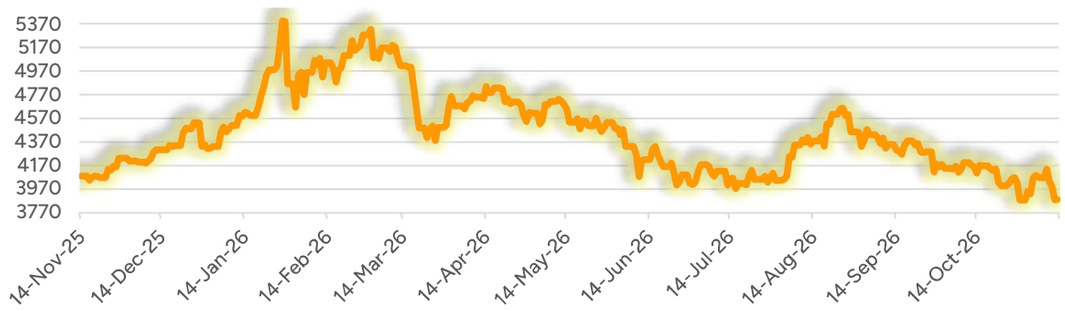


CLOSE	1M %chg	3M %chg
0.0199	-1.49%	-4.78%

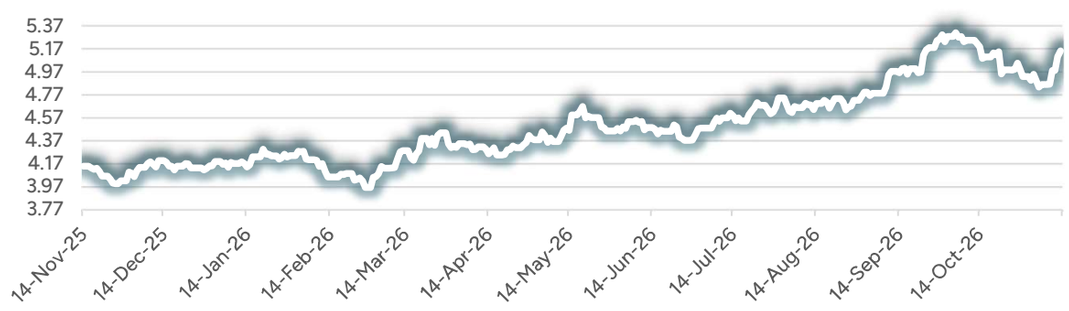
Turkish central bank raises inflation forecasts, pledges tight policy
12 Nov 2026 01:21:18 PM
ISTANBUL, Nov 12 (Reuters) - Turkey's central bank raised its end-2027 inflation forecast to 21% and its end-2028 forecast to 13.5% on Thursday, with Governor Fatih Karahan saying the bank would maintain a tight policy stance until prices stabilize. The end-2027 forecast was previously 15% and the end-2028 forecast 9%. The lira weakened slightly to 50.2575 against the dollar after the presentation, compared with a close of 50.2325 on Wednesday. In its previous report in August, the central bank had raised its end-2026 inflation forecast to 28% from 26% but left its interim inflation target for the same period at 24%. At the time, it also kept its end-2027 target at 15% and the target for end-2028 at 9%.

Gold, US Treasury & Dollar Index

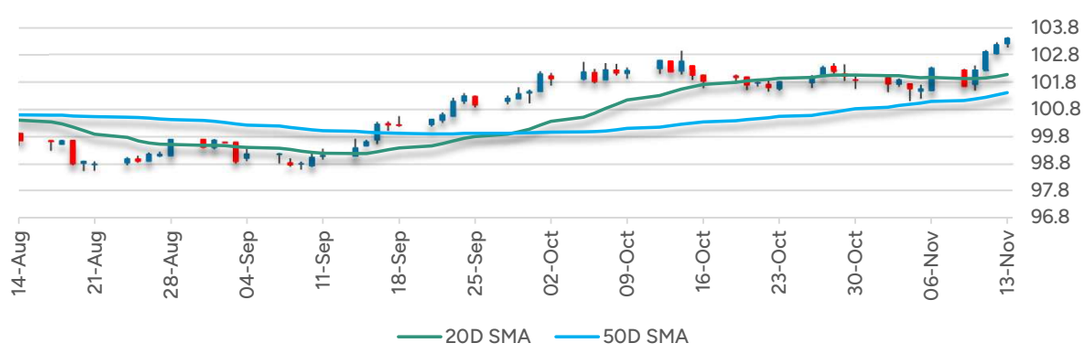
GOLD



10Y US-TREASURY



DOLLAR INDEX



US 10YT YIELD	1M %chg	3M %chg
5.14	**1.30%**	**9.73%**

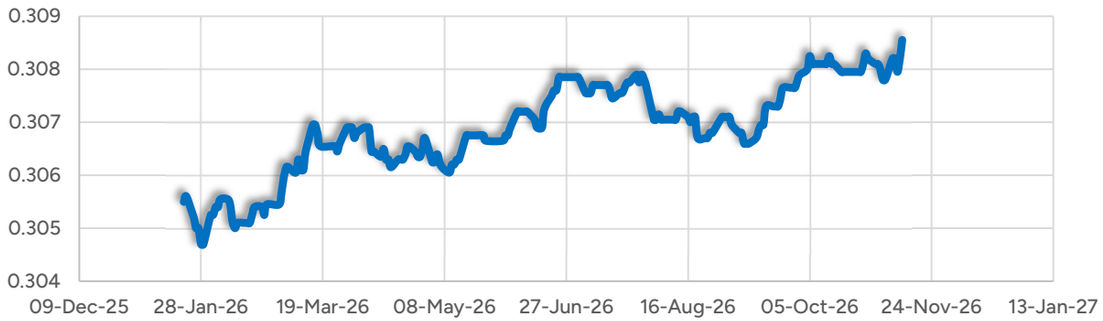
PRECIOUS-Rate-hike bets keep gold on track for worst week in four months
14 Nov 2026 11:27:00 AM
Nov 13 (Reuters) - Gold firmed on Friday as a largely in-line US inflation reading alleviated some bets on a bigger rate hike, but Thursday's selloff to a more-than-a-year low kept bullion on track for a weekly decline. Spot gold XAU= ticked up 0.1% at $3,879.71 per ounce after briefly touching a session high of $3,922.97 when the US Producer Price Index data came out. US gold futures GCcv1 for December delivery settled largely unchanged at $3,886.30 per ounce. The Producer Price Index for final demand rose 0.3% last month, after an upwardly revised 1.4% surge in September, data showed on Friday. A Reuters poll had forecast PPI climbing 0.4%. Gold prices slid 3% on Thursday, hitting a more-than-one-year low, as oil climbed, spurring fears of higher inflation and elevated interest rates. The fall was accentuated by hotter-than-expected Consumer Price Index data earlier this week.

UPCOMING KEY ECONOMIC INDICATOR RELEASES

INDICATOR	Ctry / Regn	Time	For	Prior	Consensus
GDP QQ	JP	16/Nov 02:50	Q3 2026	0.40%	0.10%
GDP QQ Annualised	JP	16/Nov 02:50	Q3 2026	1.40%	0.30%
GDP QQ Capital Expend.	JP	16/Nov 02:50	Q3 2026	-0.90%	1.50%
GDP QQ External Demand	JP	16/Nov 02:50	Q3 2026	0.50%	-0.40%
GDP QQ Pvt Consmp Prelim	JP	16/Nov 02:50	Q3 2026	0.00%	-0.20%
House Price Rightmove MM	GB	16/Nov 03:00	Nov	1.00%	
House Price Rightmove YY	GB	16/Nov 03:00	Nov	-0.10%	
Reserve Assets Total	EU	16/Nov 14:00	Oct	1808.9Bn€	
Bean Oil Stocks	US	16/Nov 20:00	Oct	1.053Bn	1.079Bn
Tertiary Ind Act NSA	JP	17/Nov 07:30	Sep	-4.10%	
Claimant Count Unem Chng	GB	17/Nov 10:00	Oct	30.3k	

Daily Market Report

KWD - CBK FIX



MARKET SUMMARY

INSTRUMENT	OPEN	HIGH	LOW	CLOSE	%CHG 1D
EUR	1.1051	1.1072	1.1019	1.1021	-0.29%
GBP	1.3228	1.3252	1.32	1.3215	-0.09%
JPY	159.83	160.18	159.5	159.66	-0.12%
TRY	0.0199	0.0199	0.0198	0.0199	0.51%
Dollar Idx	103.23	103.436	103.056	103.412	0.23%
Brent	95.84	97.13	95.06	95.84	0.02%
WTC	92.05	93.14	91.7	91.96	2.19%
Gold	3876.46	3922.97	3867.34	3880.3	0.10%
KWSE Index	8561.39	8577.05	8546.54	8575.79	0.14%

KIBOR RATES

Tenor	Value	Tenor	Value
ON	3.06	3M	3.75
SW	3.38	6M	3.94
1M	3.56	1Y	4.19

CENTRAL BANK OF KUWAIT

KWD (CBK FIX) CLOSE	3M% CHG
0.30860	0.44%

POLICY RATES INDICATOR	As of	Value	Prior	Change
ON Repo Rate	11/Dec/'25	3.13	3.38	-0.25
1W Repo Rate	11/Dec/'25	3.38	3.63	-0.25
1M Repo Rate	11/Dec/'25	3.63	3.88	-0.25
KWD ON Rate	11/Dec/'25	10.00	10.00	0.00
Discount Rate	11/Dec/'25	3.50	3.75	-0.25

SOFR RATES

Tenor	Value	Tenor	Value
1M	3.97	6M	4.36
3M	4.17	1Y	4.62

OTHER C-BANK RATES

INDICATOR	As of	Value	Prior	Change
FED Target Rate	16/Sep/'26	4.00	3.75	0.25
ECB Refinancing Rate	29/Oct/'26	2.65	2.65	0.00
BOE Bank Rate	19/Jun/'25	4.25	4.25	0.00
BOJ Prime Rate	10/Nov/'26	3.45	3.70	-0.25
TRY ON Lending Rate	22/Oct/'26	39.00	40.00	-1.00

Global Top News

KEY INTERNATIONAL STORIES

US existing home sales slump to more than 16-year low in October

WASHINGTON, Nov 12 (Reuters) - US existing home sales fell to the lowest level in more than 16 years in October as rising mortgage rates and still-elevated house prices pushed potential buyers to the sidelines. Home sales dropped 5.5% last month to a seasonally adjusted annual rate of 3.75 million units, the National Association of Realtors said on Thursday. That was the lowest level since August 2010, when sales were declining following the end of a homebuyers tax credit. Economists polled by Reuters had forecast home resales falling to a 3.85 million unit rate.

UK economy grows 0.7% in Q3, ONS data shows

LONDON, Nov 12 (Reuters) - Britain's economy grew 0.7% in the third quarter of 2026, faster than its 0.5% growth in the second quarter of the year, official figures showed on Thursday. Economists polled by Reuters had forecast 0.7% quarter-on-quarter growth for the period. Britain's economy has shown surprising resilience in the first half of 2026 after expanding by 0.6% in the first quarter. While some economists expect slower growth in the final quarter of the year as higher energy prices and borrowing costs weigh on activity, the BoE last week upgraded its growth projection for 2026.

Russia's central bank says rates to stay high to offset military spending

MOSCOW, Nov 12 - Russian central bank governor Elvira Nabiullina said on Thursday that the key rate would stay high for some time because tight monetary policy was needed to offset the inflationary impact of rising military spending linked to the war in Ukraine. The central bank has maintained its key interest rate at 14% during the last two board meetings, citing high inflation while the economy is stagnating. Businesses, including those in the military-industrial sector, are pushing the central bank to cut the rate so that they can resume investment.

Japan wholesale inflation accelerates, keeps alive rate hike view

TOKYO, Nov 12 (Reuters) - Japan's annual wholesale inflation re-accelerated in October as the Middle East conflict and AI-related demand kept pushing up prices for fuel and semiconductor chips, data showed, keeping alive market expectations of a near-term interest rate hike. The data will be among the factors the Bank of Japan will scrutinise at its next policy meeting on December 17 and 18, when many analysts expect the central bank to raise its policy rate to 1.5% from 1.25%. The corporate goods price index rose 7.1% in the year to October, BOJ data showed on Thursday.

Brazil inflation remains above goal despite softer-than-expected October reading

SAO PAULO, Nov 12 (Reuters) - Consumer prices in Brazil rose less than expected in the 12 months through October but remained above the central bank's target range, as policymakers vow to keep using high interest rates to rein in persistent inflation. Annual inflation in Latin America's largest economy reached 4.63% last month, statistics agency IBGE said on Thursday, up from 4.58% in September but below the 4.73% expected by economists in a Reuters poll. Consumer prices were up 0.14% in October, slowing from 0.82% in September; economists had forecast a 0.25% rise.

Oil prices set for second straight weekly drop on signs of growing supply surplus

HOUSTON, Nov 13 (Reuters) - Oil weakened on Friday, set for a second straight weekly decline, as the market weighed signs of a growing global supply surplus and Washington's focus on blockading Iran while ramping up other economic pressures in the nine-month war. Brent futures LCOc1 settled at $95.84 a barrel, up 2 cents, or 0.02%. US West Texas Intermediate futures CLc1 finished at $88.56 a barrel, down 18 cents, or 0.20%. For the week, Brent and WTI were both on track for a drop of about 2.5%. The benchmarks fell 16% and 13%, respectively, last week. US crude and fuel inventories rose last week.

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