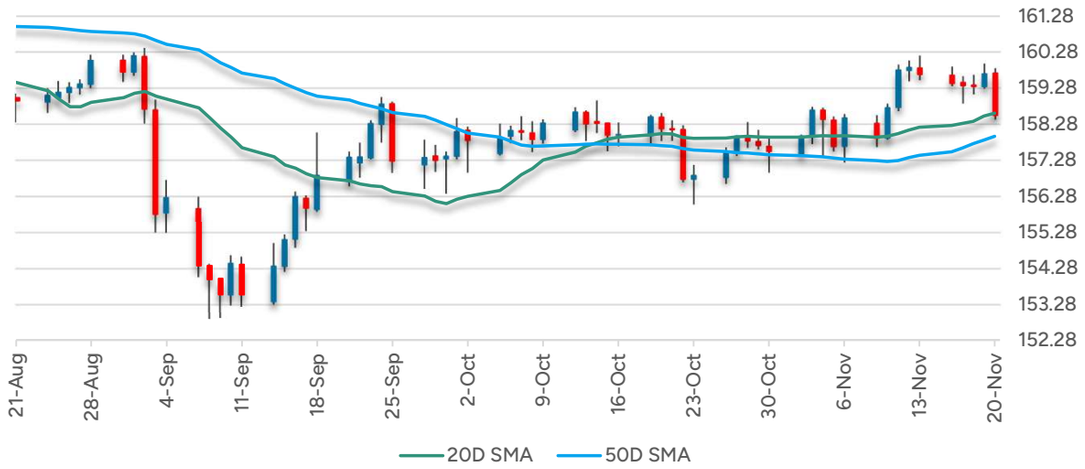
بيت التمويل الكويتي
KFH

Market Commentary
KFH Treasury

Report produced on
22-Nov-2026

Forex Market

JAPANESE YEN



CLOSE	1M %chg	3M %chg
158.53	1.13%	-0.25%

COMMENT-Yen supported by market defrothing, commodity retreat
20 Nov 2026 07:23:43 PM
Risk-off sentiment and declining commodity prices should ultimately underpin yen gains, boosting repatriation flows while reinforcing the case for a softer Fed outlook. This week, USD/JPY has retreated from the top to the bottom of its 158-160 range as speculative activity picks up from subdued levels, with Friday's break below 159 helping flush out some leveraged longs. Nonetheless, realized and implied USD/JPY volatility remain relatively low and positioning appears broadly neutral, with open interest falling back toward levels last seen earlier this year when the pair was trading just above 158.

EURO

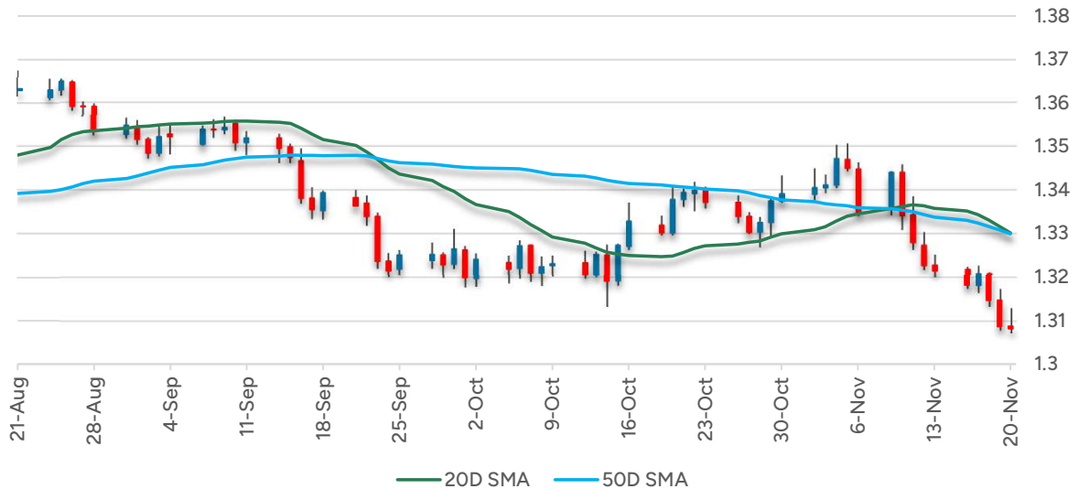


CLOSE	1M %chg	3M %chg
1.0967	-2.20%	-6.10%

COMMENT-How EUR/USD shorts could be squeezed hard
20 Nov 2026 07:27:30 AM
EUR/USD has been in a clear downtrend. The pair has fallen since January, and the decline sped up after September. Technical indicators suggest bears may stay in control, but short sellers face a real risk of a squeeze. Inflation markets also hint the dollar could weaken. US inflation break-evens and inflation-linked swaps at the 2-, 5- and 10-year tenors have trended lower since May, and the declines have accelerated since mid-October. Sharp drops in oil and other commodities could push inflation expectations down further.

Forex Market

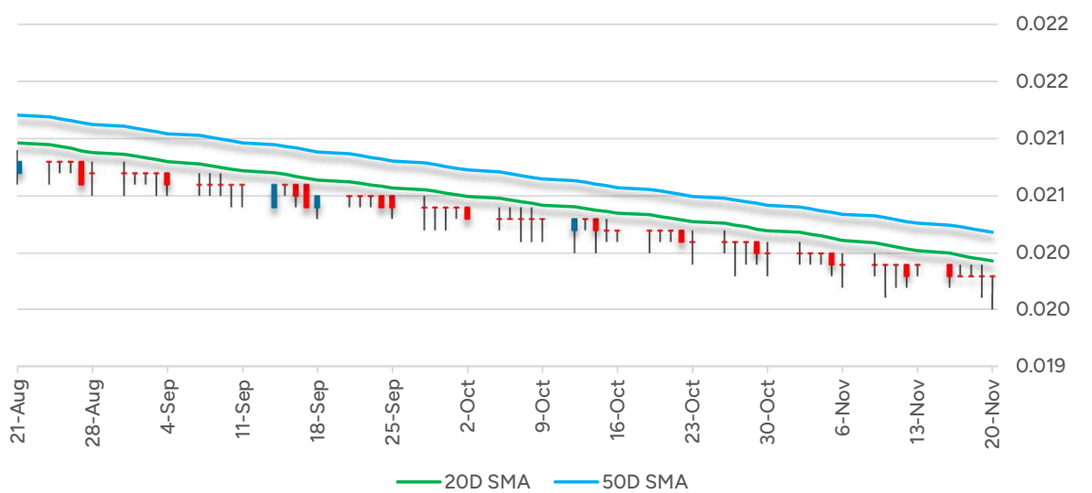
POUND STERLING



CLOSE	1M %chg	3M %chg
1.3081	-2.37%	-4.05%

COMMENT-Sterling hits fresh 2026 low as tech, risk unwind continues
20 Nov 2026 06:52:49 PM
Sterling faces ongoing downward pressure, after hitting a new 2026 low of 1.3078 in Asia session trading on Friday, driven by persistent selling in AI and tech equities, coupled with elevated US inflation and rate expectations. The losses have pushed the pound to important support marked by the November 21, 2025 high of 1.3039 and the big-figure 1.30. The pound's slide from highs early this month just above 1.35 to current levels just below 1.31 looks like a baby-and-bathwater event. Since early-November US payrolls data, Fed rate hike expectations have shifted higher, supporting the US dollar broadly.

TURKISH LIRA

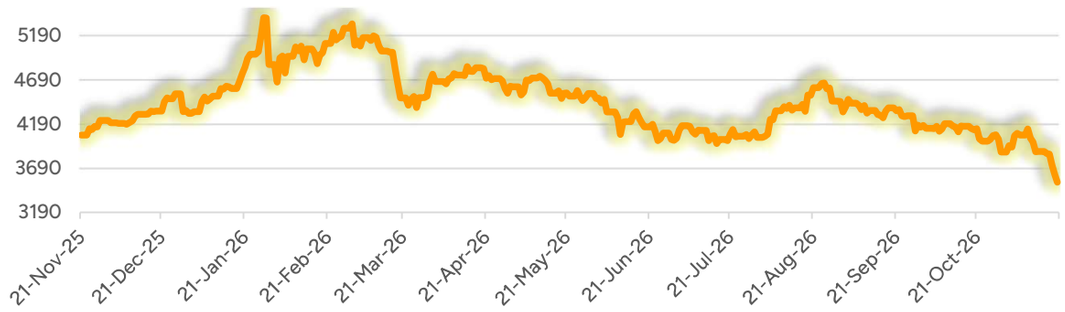


CLOSE	1M %chg	3M %chg
0.0198	-1.49%	-4.81%

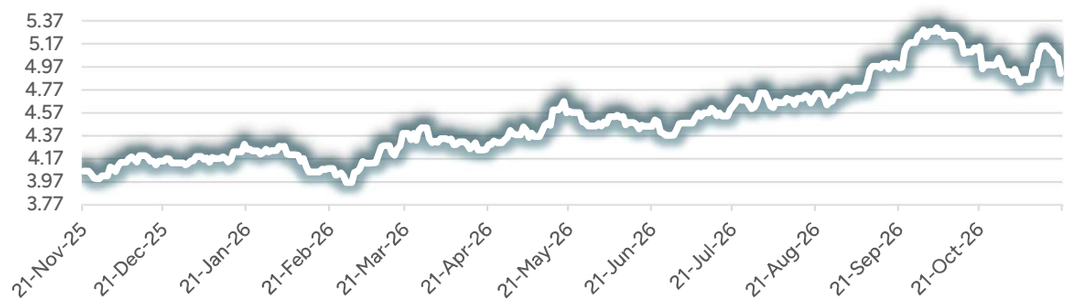
Turkey raises €1.25 billion in green bond issue, Treasury says
19 Nov 2026 12:56:57 PM
ISTANBUL, Nov 19 (Reuters) - Turkey raised €1.25 billion ($1.37 billion) through an 8-year green bond issue under its 2026 external financing programme, the Treasury said on Thursday, with the bond offering a yield of 6.125%. The bond, maturing on November 25, 2034, carries a coupon of 5.85%. The offering attracted orders more than three times the actual issue size from approximately 150 accounts, the Treasury said. The issue brought Turkey's total financing from international capital markets this year to $13.6 billion. 43% of the bond was allocated to investors in the United Kingdom, 26% in the United States, 16% in other European countries, 12% in Turkey and 3% in other countries.

Gold, US Treasury & Dollar Index

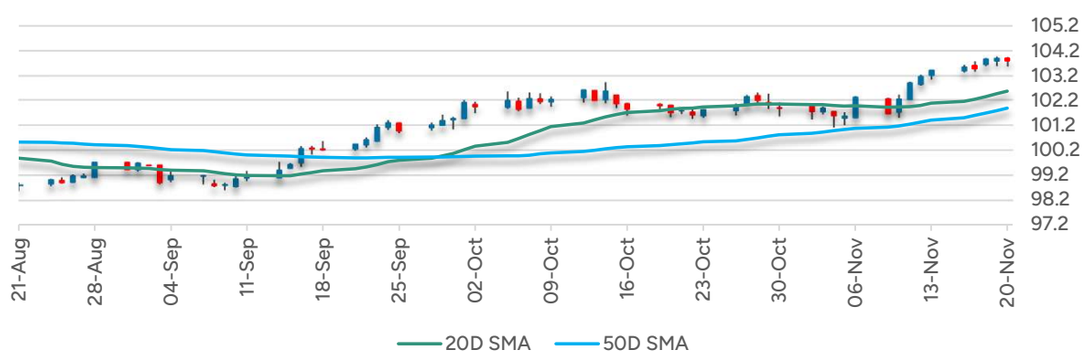
GOLD



10Y US-TREASURY



DOLLAR INDEX



US 10YT YIELD	1M %chg	3M %chg
4.95	**-0.83%**	**3.67%**

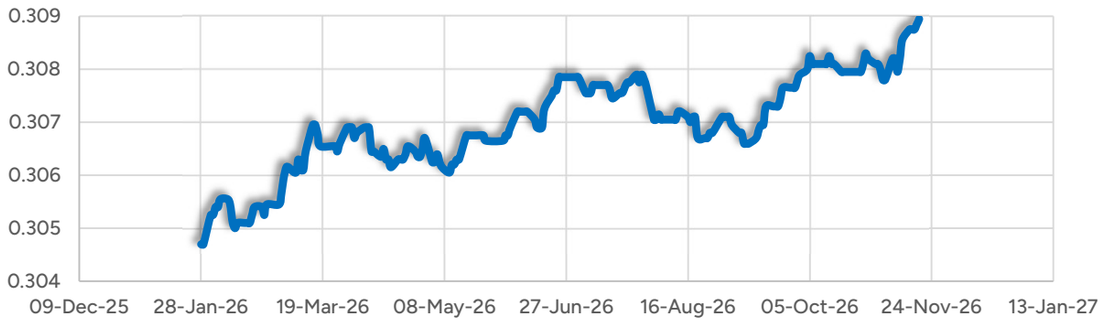
PRECIOUS-Gold's slide deepens as AI rout, rate-hike bets hurt bullion
21 Nov 2026 12:39:00 AM
Nov 20 (Reuters) - Gold's bearish spell continued on Friday as it floundered to a 14-month low and headed for its worst week in eight months, amid pressure from a hawkish interest rate outlook and an AI-linked stocks selloff. Spot gold XAU= fell 3% to $3,514.08 per ounce, after touching its lowest level since September 2025 at $3,502.49 earlier in the session. Bullion has shed about 9.4% so far this week, the most since the week ended March 20. US gold futures GCcv1 for December delivery settled 4.6% lower at$3,515.40 per ounce. Gold's fall has been accentuated by comments from US Federal Reserve policymakers that echoed hawkish tones in the Federal Open Market Committee's (FOMC) October meeting. Philadelphia Fed President Anna Paulson flagged inflation risks that could warrant another interest-rate increase, reinforcing expectations that US borrowing costs will rise further. Spot silver XAG= fell 4.1% to $40.99 per ounce, 66.3% below its record high of $121.64 hit in January.

UPCOMING KEY ECONOMIC INDICATOR RELEASES

INDICATOR	Ctry / Regn	Time	For	Prior	Consensus
S&P Composite Flash PMI	EU	23/Nov 12:00	Nov	51.7	51.9
S&P MFG Flash PMI	EU	23/Nov 12:00	Nov	52.7	52.8
S&P Services Flash PMI	EU	23/Nov 12:00	Nov	51.4	51.8
Flash Composite PMI	GB	23/Nov 12:30	Nov	52.9	53.1
Flash Manufacturing PMI	GB	23/Nov 12:30	Nov	52.8	53
Flash Services PMI	GB	23/Nov 12:30	Nov	52.8	53
S&P Global Comp PMI Flash	US	23/Nov 17:45	Nov	55.9	
S&P Global Mfg PMI Flash	US	23/Nov 17:45	Nov	54.9	54.5
S&P Global Svcs PMI Flash	US	23/Nov 17:45	Nov	56.1	55.6
S&P Global Comp Op Flash SA	JP	24/Nov 03:30	Nov	52.1	
S&P Global Mfg PMI Flash SA	JP	24/Nov 03:30	Nov	53.3	

Daily Market Report

KWD - CBK FIX



MARKET SUMMARY

INSTRUMENT	OPEN	HIGH	LOW	CLOSE	%CHG 1D
EUR	1.0966	1.1	1.0956	1.0967	0.01%
GBP	1.3087	1.313	1.3072	1.3081	-0.04%
JPY	159.69	159.83	158.4	158.53	-0.71%
TRY	0.0198	0.0198	0.0195	0.0198	0.00%
Dollar Idx	103.886	103.953	103.582	103.807	-0.08%
Brent	92.38	93.07	90.06	92.57	0.64%
WTC	86.48	87.85	85.56	87.59	3.83%
Gold	3622.29	3636.22	3502.49	3532.47	-2.46%
KWSE Index	8553.3	8572.72	8494.26	8499.43	-0.70%

KIBOR RATES

Tenor	Value	Tenor	Value
ON	3.19	3M	3.75
SW	3.44	6M	4.00
1M	3.63	1Y	4.19

CENTRAL BANK OF KUWAIT

KWD (CBK FIX) CLOSE	3M% CHG
0.30900	0.73%

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	4.04	6M	4.38
3M	4.21	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	16/Nov/'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 pending home sales tumble to record low in October

WASHINGTON, Nov 18 (Reuters) - Contracts to purchase previously owned US homes plunged to a record low in October as higher mortgage rates suppressed demand for housing. The pending home sales index dropped 4.7% to 63.0 last month, the lowest level since the series started in 2001, the National Association of Realtors said on Wednesday. Economists polled by Reuters had forecast that contracts, which become sales after a month or two, would fall 2.0%. October marked the second straight month of large decreases. Pending home sales declined 16.7% year over year in October.

UK retail sales beat forecasts after government tells households to stock up

LONDON, Nov 20 (Reuters) - British retail sales volumes unexpectedly rose 0.7% in October compared with September, bolstered by a government call for households to stock up on long-life items as well as stronger clothing sales, official figures showed on Friday. The jump in October sales volumes beat all economists' forecasts in a Reuters poll and lifted the annual growth in sales to a two-month high of 2.3% from 0.4% in September. British household energy bills are regulated in a way that means they tend to rise and fall with a lag of 3-6 months compared to prices on international markets.

Euro zone current account surplus broadly unchanged in Sept

FRANKFURT, Nov 19 (Reuters) - The euro zone's current account surplus was little changed in September as a drop in the trade surplus was offset by an improvement in services and primary income, which includes items like wages, dividends and investments, ECB data showed. The adjusted current account surplus of the 21-nations sharing the euro currency widened to €12.5 billion from €11.6 billion in August while unadjusted data showed an improvement to €27.5 billion from €10.4 billion, data published on Thursday showed.

Japan's core inflation accelerates in October, cementing rate hike expectations

TOKYO, Nov 20 (Reuters) - Japan's annual core inflation accelerated in October and exceeded central bank's 2% target for the second straight month, a sign of broadening price pressures that cements the case for a near-term interest rate. The data will be among factors the Bank of Japan will scrutinise at its next two-day policy meeting ending on December 18, when many market players expect the central bank to hike its policy rate to 1.5% from the current 1.25%. The core consumer price index, rose 2.2% in October from a year earlier, data showed on Friday, compared with a median market forecast for a 2.3% gain. It followed a 2.1% rise in September.

Indonesia current account deficit narrows significantly in third quarter

JAKARTA, Nov 20 (Reuters) - Indonesia's current account deficit narrowed significantly to 0.5% of gross domestic product in the third quarter, compared with a revised deficit of 3.4% of GDP in the previous three months, central bank data showed on Friday. Its balance of payments was a surplus of $80 million in the third quarter, a swing from the $882 million second-quarter deficit The balance of payments surplus was supported mainly by a narrowing current account deficit amid a higher surplus in the non-oil and gas goods trade balance and a lower deficit in the oil and gas trade balance.

Oil gains on Iran war worries and short-covering ahead of Thanksgiving holiday

HOUSTON, Nov 20 (Reuters) - Oil gained late in trading on Friday as worries about possible attacks in the US-Israeli war with Iran may be renewed and traders were buying crude ahead of next week's Thanksgiving holiday, with many traders expected to out of the market for much of next week. Brent crude futures LCOc1settled at $92.57 a barrel, up 59 cents, or 0.64%. US West Texas Intermediate futures for December CLc1 finished at $83.98 a barrel, up 77 cents, or 0.93%. However, some analysts expect softness in the broader equities markets to weigh on oil prices, as Asian shares fell on Friday — heading for their worst week since 2020.

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