

Market Commentary

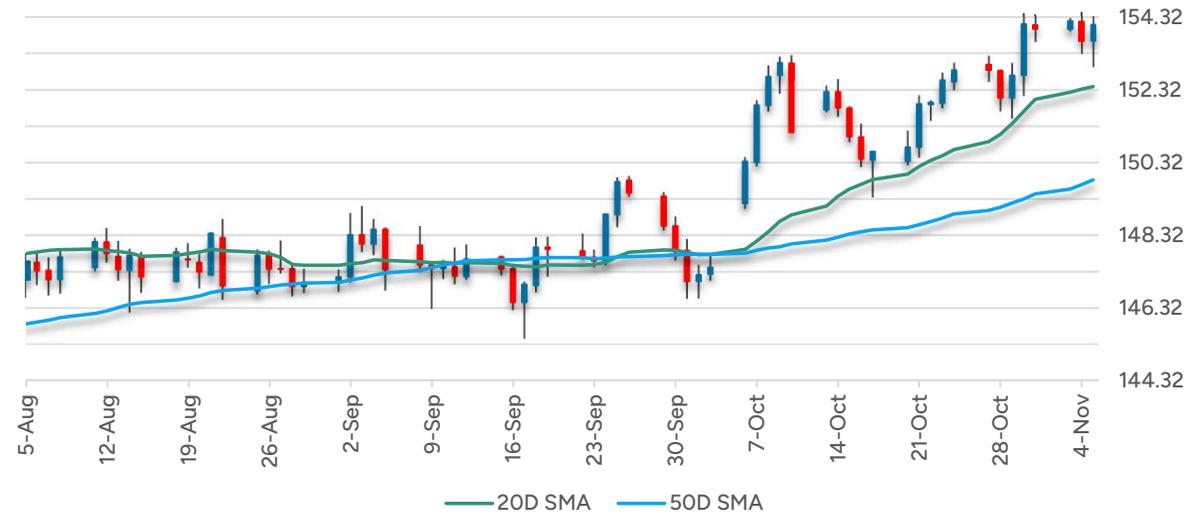
KFH Treasury

Report produced on
06-Nov-2025



Forex Market

JAPANESE YEN



CLOSE
154.11

1M %chg
2.50%

3M %chg
4.59%

USD/JPY still buoyant alongside JPY crosses with risk on

06 Nov 2025 07:12:00 AM

- * Nikkei rallies after TSE open, up 1000+ points from close yesterday
- * USD/JPY bid as result after rally to 154.35 o/n, Asia 153.80-154.13 EBS
- * USD/JPY, JPY cross-Nikkei correlation remains strong
- * That said, market still seen toppish on 154, especially from @154.50
- * High Tuesday 154.48 and possible near-term cap 153.00 daily tenkan support
- * Hourly chart support from 153.53-72 Ichimoku cloud, 200-HMA 153.32 below
- * Plenty of option expiries nearby today too on 153, 154, to 155.25

EURO



CLOSE
1.1491

1M %chg
-1.86%

3M %chg
-1.44%

EUR complex holds own in Asia, EUR/USD bid, options galore

06 Nov 2025 07:28:44 AM

- * EUR complex as a whole holding own in Asia, better bid
- * Massive option expiries galore today, gravitational pull from some
- * Others above and below from 1.1415 to 1.1600 to help cap and base
- * EUR/JPY rally yesterday too on risk-on mood, rise in equities
- * To 177.13 EBS overnight, tad toppish in Asia so far between 176.98-177.15
- * Wait on for resumption of larger flows when Europe returns

Forex Market



POUND STERLING



CLOSE

1.3049

1M %chg

-3.21%

3M %chg

-2.29%

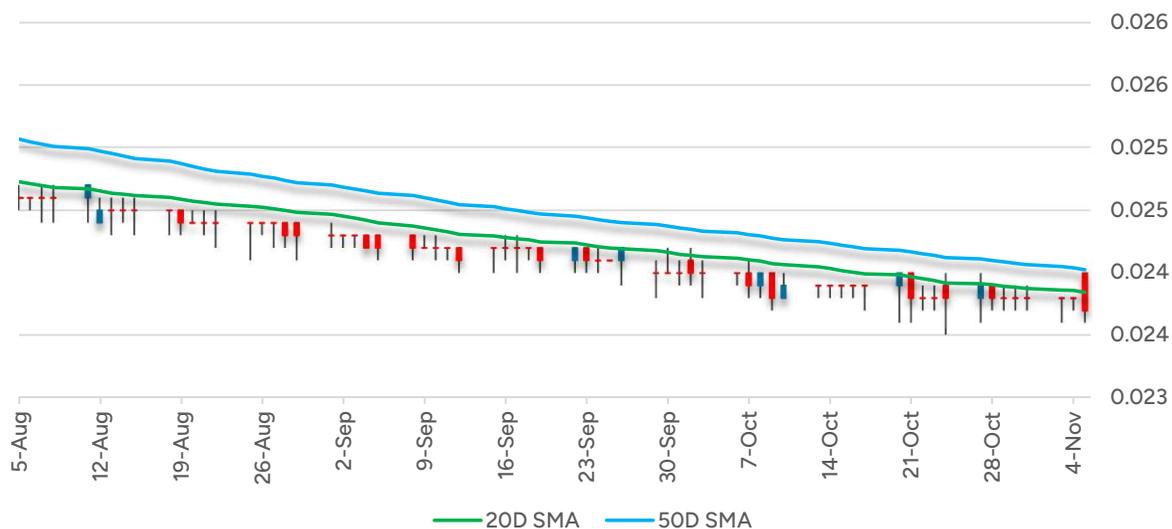
GBP/USD-Tepid recovery into in-the-balance BoE meeting

06 Nov 2025 06:48:06 AM

- * GBP/USD +0.1%, edges higher as traders brace for BoE rate decision
- * Supported by position adjustments after recovering from 7-month low Wed
- * BoE set for tight rates decision as inflation softens and budget looms
- * Nine MPC policymakers will set out their views individually for 1st time
- * UK's CBI tells Reeves to break tax promises and build fiscal headroom
- * Support 1.3000-10, 1.2965, 1.2940-45; resistance 1.3100-10, 1.3140-50



TURKISH LIRA



CLOSE

0.0237

1M %chg

-1.25%

3M %chg

-3.66%

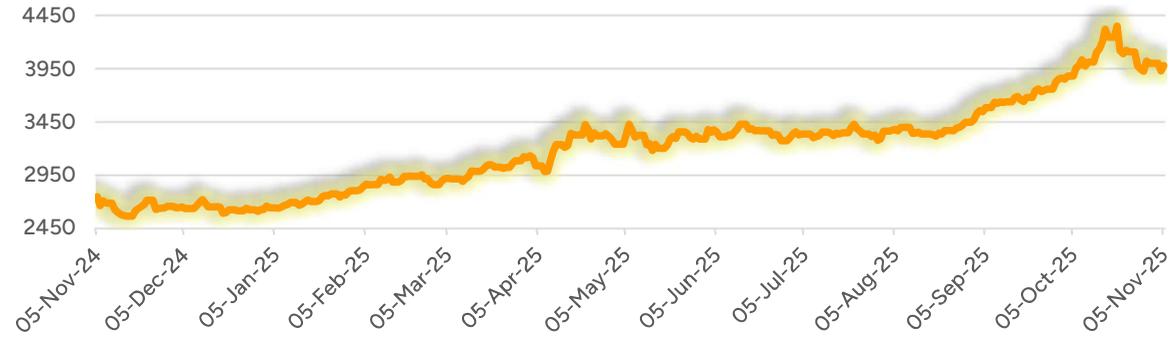
Turkey - Factors to watch

06 Nov 2025 08:29:22 AM

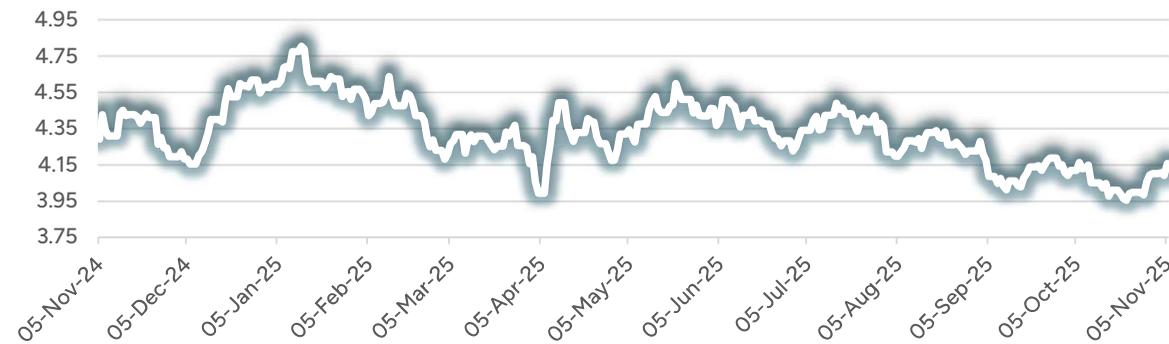
ISTANBUL, Nov 6 (Reuters) - The lira TRY/TOM=D3 was quoted at 42.0900-42.1400 against the U.S. dollar. The main BIST 100 share index .XU100 closed 0.52% higher on Wednesday at 10,970.37 points. The Central Bank will announce its weekly money and banking statistics. The Treasury and Finance Ministry's 2026 budget will be discussed in the planning and budget committee.

Gold, US Treasury & Dollar Index

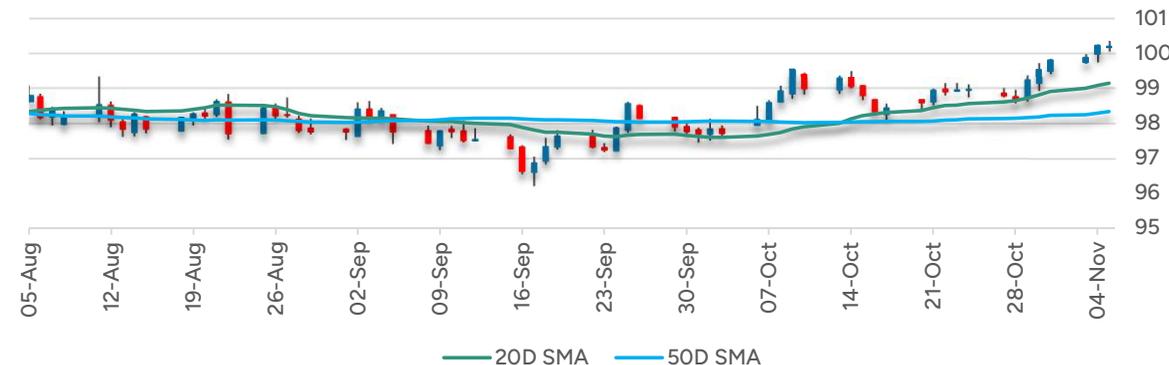
GOLD



10Y US-TREASURY



DOLLAR INDEX



US 10YT YIELD

4.15

1M %chg

-0.31%

3M %chg

-1.63%

PRECIOUS-Gold edges lower as US jobs data dents rate-cut expectations

06 Nov 2025 06:08:30 AM

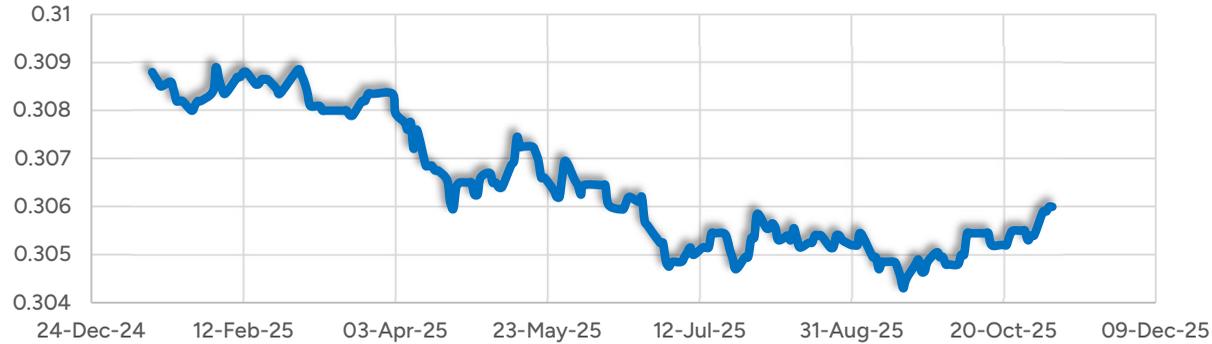
Nov 6 (Reuters) - Gold dipped on Thursday after stronger-than-expected private U.S. payrolls data dented expectations of another interest rate cut by the U.S. Federal Reserve in December. Spot gold XAU= lost 0.3% to \$3,971.08 per ounce. U.S. gold futures GCcv1 for December delivery lost 0.3% to \$3,979.70 per ounce. The U.S. Federal Reserve cut interest rates last week and Chair Jerome Powell suggested it might be the last reduction in borrowing costs for the year. U.S. private employment increased by 42,000 jobs last month, above Reuters' estimate of a 28,000 rise, the ADP employment report showed on Wednesday. A strong jobs market typically makes interest rate cuts less likely and can keep rates higher for longer. Market participants now see a 62% chance of a Fed rate cut in December, down from over 90% last week. Bullion hit a record high of \$4,381.21 on October 20, but it has fallen close to 10% since.

UPCOMING KEY ECONOMIC INDICATOR RELEASES

INDICATOR	Ctry / Regn	Time	For	Prior	Consensus
S&P Global Comp Op Final SA	JP	06/Nov 03:30	Oct	50.9	
S&P Global SVC PMI Final SA	JP	06/Nov 03:30	Oct	52.4	
S&P GLOBAL PMI: MSC COMPOSITE -	GB	06/Nov 12:30	Oct	49.7	
BOE Bank Rate	GB	06/Nov 15:00	Nov	4.00%	4.00%
EIA-Nat Gas Chg Bcf	US	06/Nov 18:30	W 31 Oct	74Bn	32Bn
Nat Gas-EIA Implied Flow	US	06/Nov 18:30	W 31 Oct	74Bn	
Halifax House Prices MM	GB	07/Nov 10:00	Oct	-0.30%	0.10%
Halifax House Prices YY	GB	07/Nov 10:00	Oct	1.30%	1.45%
U Mich Sentiment Prelim	US	07/Nov 18:00	Nov	53.6	53.2
Current Account Bal SA	JP	11/Nov 02:50	Sep	24635¥	
Current Account NSA JPY	JP	11/Nov 02:50	Sep	3775.8Bn¥	

Daily Market Report

KWD - CBK FIX



MARKET SUMMARY

INSTRUMENT	OPEN	HIGH	LOW	CLOSE	%CHG 1D
EUR	1.1483	1.1497	1.1468	1.1491	0.08%
GBP	1.3019	1.3054	1.3007	1.3049	0.24%
JPY	153.66	154.35	152.94	154.11	0.29%
TRY	0.024	0.024	0.0236	0.0237	-0.42%
Dollar Idx	100.18	100.36	100.059	100.204	-0.02%
Brent	64.18	64.95	63.44	63.52	-1.43%
WTC	61.01	61.64	60.36	60.4	-1.60%
Gold	3931.79	3990.1	3929.01	3982.4	1.29%
KWSE Index	8961.25	8965.24	8914.92	8916.53	-0.47%

KIBOR RATES

Tenor	Value	Tenor	Value
ON	2.13	3M	3.81
SW	3.38	6M	4.00
1M	3.63	1Y	4.19

CENTRAL BANK OF KUWAIT

KWD (CBK FIX) CLOSE

0.30605

3M% CHG

0.15%

POLICY RATES INDICATOR	As of	Value	Prior	Change
ON Repo Rate	18/Sep/'25	3.38	3.63	-0.25
1W Repo Rate	18/Sep/'25	3.63	3.88	-0.25
1M Repo Rate	18/Sep/'25	3.88	4.13	-0.25
KWD ON Rate	18/Sep/'25	10.00	10.00	0.00
Discount Rate	18/Sep/'25	3.75	4.00	-0.25

SOFR RATES

Tenor	Value	Tenor	Value
1M	4.01	6M	3.79
3M	3.89	1Y	3.61

OTHER C-BANK RATES

INDICATOR	As of	Value	Prior	Change
FED Target Rate	29/Oct/'25	4.00	4.25	-0.25
ECB Refinancing Rate	30/Oct/'25	2.15	2.15	0.00
BOE Bank Rate	19/Jun/'25	4.25	4.25	0.00
BOJ Prime Rate	10/Oct/'25	2.40	2.30	0.10
TRY ON Lending Rate	23/Oct/'25	42.50	43.50	-1.00

KEY INTERNATIONAL STORIES

US services activity hits eight-month high; employment remains weak

WASHINGTON, Nov 5 (Reuters) - U.S. services sector activity increased to an eight-month high in October as new orders grew solidly, but subdued employment pointed to lackluster labor market conditions against the backdrop of economic uncertainty stemming from tariffs. The ISM survey's measure of new orders received by services businesses increased to 56.2 last month from 50.4 in September. But backlog orders plunged while exports remained depressed. Prices paid by services businesses for inputs also picked up last month.

UK services firms report strongest outlook in a year as inflation pressures wane, PMI shows

LONDON, Nov 5 (Reuters) - Output and new orders in Britain's services industry picked up last month, according to a survey released on Wednesday that showed expectations for activity in the next 12 months were the highest since October 2024. The S&P Global UK Services Purchasing Managers' Index (PMI) rose to 52.3 in October from 50.8 in September, and was higher than a preliminary "flash" reading of 51.1. The survey of Britain's dominant services sector is welcome news for Rachel Reeves, who has made growth her priority, ahead of possible tax rises in her annual budget on November 26.

Canada's October services PMI shows first expansion in the sector this year

TORONTO, Nov 5 (Reuters) - Canada's services economy expanded in October for the first time in 11 months as businesses showed signs of adjusting to economic uncertainty, S&P Global's Canada services PMI data showed on Wednesday. The headline Business Activity Index rose to 50.5 last month from 46.3 in September, posting its first move above the 50 threshold since November last year. A reading above 50 shows expansion in the sector. The new business index was in contraction for an 11th straight month even as it improved to 48.8 from 48.1 in September.

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China's services growth hits three-month low in October, PMI shows

BEIJING, Nov 5 (Reuters) - China's services activity expanded in October but at its slowest pace in three months, as a decline in overseas orders offset the boost from improved domestic demand, a private survey released on Wednesday showed. The RatingDog China General Services PMI, compiled by S&P Global, slipped to 52.6 from 52.9 in September, staying above the 50-mark that separates growth from contraction. This contrasted slightly with the government's official PMI released on Monday, which rose to 50.2 from 50.1 in September, reflecting differences in sample coverage.

Indonesia Q3 GDP growth slows slightly to 5.04% ahead of end-year stimulus measures

JAKARTA, Nov 5 (Reuters) - Indonesia's economic growth decelerated slightly in the third quarter, official data showed on Wednesday, highlighting a challenge for the government to boost growth to 8% by 2029. Growth slowed to 5.04% in the third quarter from 5.12% in the second quarter. That means the fourth quarter will be key if the country is to meet its full-year target of 5.2% and carry that momentum into 2026, which has a goal of 5.4% growth. President Prabowo Subianto has pledged to lift growth to 8% by 2029. Growth in household spending cooled slightly to 4.89% in the third quarter from 4.97% in the previous quarter.

Oil flat as weak demand, oil glut weigh on market

Oil prices were largely flat early on Thursday, after settling at two-week lows in the previous session as pressure from weaker demand and a global oil glut continued to weigh on the market. Brent crude futures LCOc1 were up 2 cents, or 0.03%, to \$63.54 a barrel while U.S. West Texas Intermediate futures CLc1 were flat at \$59.60. Year-to-date through November 4, global oil demand has risen 850,000 barrels per day, below growth of 900,000 bpd projected earlier by J.P. Morgan, the bank said in a client note. Global oil prices fell a third straight month in October on fears of oversupply.