

Market Commentary

KFH Treasury

Report produced on
26-Apr-2026



Forex Market

JAPANESE YEN



CLOSE
159.37

1M %chg
-0.27%

3M %chg
3.39%

COMMENT-Yen's virtuous cycle risks unraveling if BOJ stands pat

24 Apr 2026 07:59:49 PM

A hawkish hold by the BOJ next week, particularly if accompanied by guidance pointing to possible June tightening, could unsettle long USD/JPY positions, but there are risks in the other direction as well, especially as Iran-war issues filter through policymaking. If oil remains high and inflation breakevens firm after the BOJ meeting, any USD/JPY dip may be shallow, with key support at 157.90 holding. Bulls are looking for a sustained break above the upper Bollinger near 160 to reignite momentum toward 162, as concerns grow that the BOJ remains behind the curve. The danger for the yen is a growing suspicion in the market that the opportunity for normalization may have passed the the BOJ by. In March 2024, Governor Kazuo Ueda said the point when the price-stability target would be achieved in a sustainable manner was within sight. Such a scenario was often described as a virtuous cycle.

EURO



CLOSE
1.1720

1M %chg
1.68%

3M %chg
-1.34%

COMMENT-Despite gains key EUR/USD support appears vulnerable

24 Apr 2026 06:38:51 PM

EUR/USD is poised for a potential downturn as economic data from the euro zone continues to underwhelm. The pair has been testing the critical 1.1650-1.1680 support zone for two days, and prospects for a rally have received little support from data. German business sentiment, plummeted to its lowest level in six years as the April Ifo index fell to 84.4 from 86.3 in March. In contrast, the U.S. economy shows signs of resilience, with Citi's economic surprise index for the euro zone languishing in negative territory while the U.S. remains positive. Euro zone economic struggles could lead investors to expect the ECB to become more dovish, creating monetary policy divergence that enhances the dollar's yield advantage over the euro, further widening spreads in government bond US2DE2=RR and short-term rate markets.

Forex Market



POUND STERLING



CLOSE

1.3531

1M %chg

1.52%

3M %chg

-1.07%

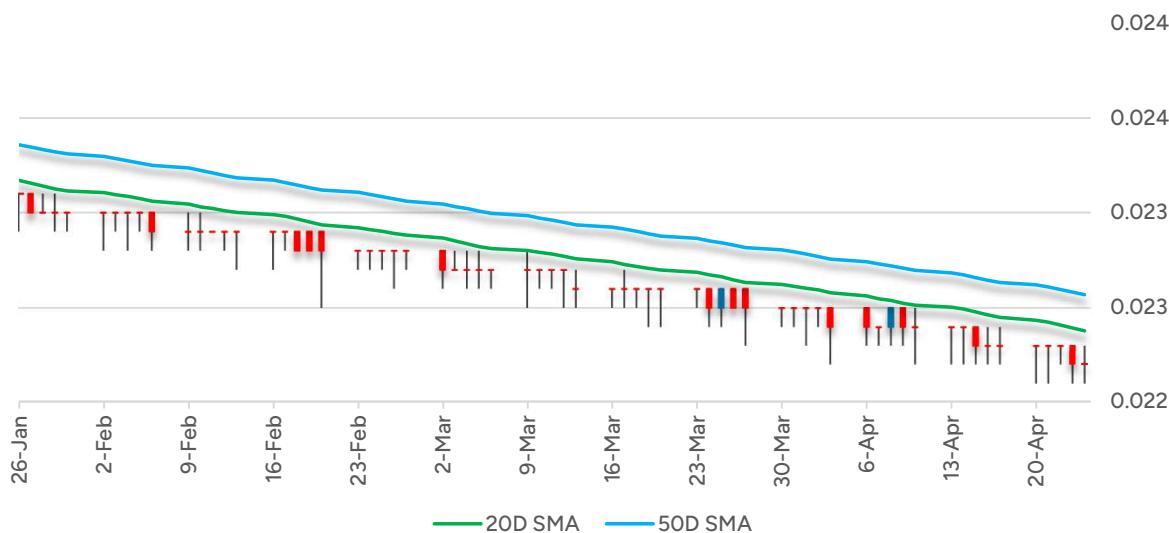
Sterling tests 10-DMA resistance on upbeat risk outlook; bulls target 1.3599

24 Apr 2024 10:11:15 PM

- * GBP\$ surged higher in NY afternoon, +0.38% at 1.3520; NorAm range 1.3523-1.3487
- * Pair finds bid on upbeat Mideast news; bid tempers near 10-DMA by 1.3520
- * Iran negotiators heading to Pakistan as well exacerbates risk recovery
- * Oil hovers near Friday session lows on Mideast news; oil -2.3%
- * Ex-Mideast US equities rallied on AI recovery after Intelearnings beat f/c
- * Next week's Fed, BoE rate decisions move into focus for policy clues IRPR
- * GBP\$ res 1.3523 Friday high, 1.3544 daily cloud top, 1.3599 daily high Apr 17
- * Supt 1.3461 bruised 100-DMA, 1.3455 Friday low, 1.3415 200-DMA



TURKISH LIRA



CLOSE

0.0222

1M %chg

-1.33%

3M %chg

-3.90%

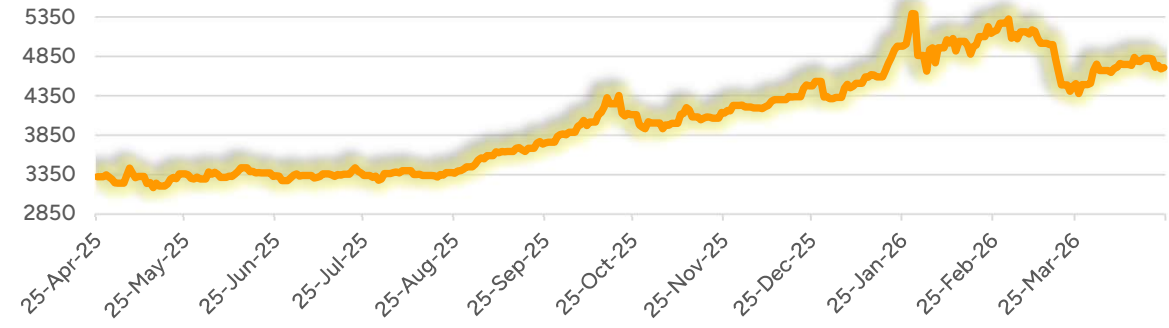
Turkey floats new investment law including exporters' tax cut

24 Apr 2024 06:25:37 PM

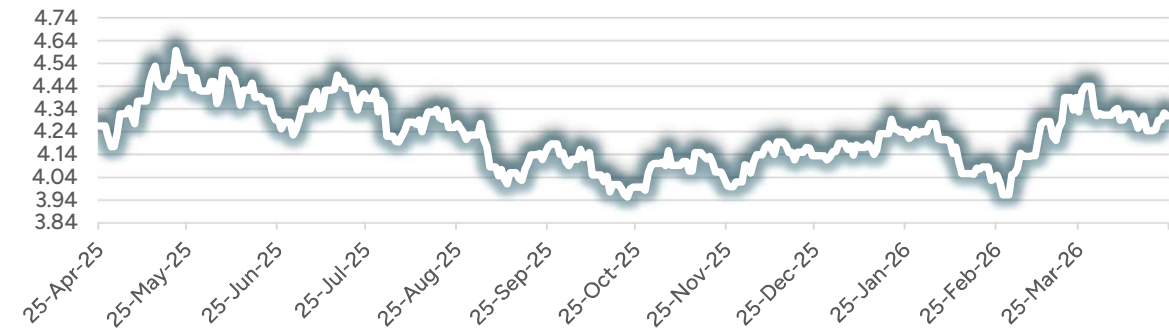
ISTANBUL, April 24 (Reuters) - Turkish President Tayyip Erdogan said on Friday his government will soon submit a comprehensive legislative package to parliament aimed at boosting investment, competitiveness and growth, including a cut in the manufacturing exporters' tax to 9%. Erdogan said Turkey is taking legal, administrative, financial and institutional steps to strengthen the investment environment and ensure sustainable high growth. The planned reforms aim to increase country's competitiveness and overall economic appeal. A comprehensive regulation will soon be submitted to parliament to boost Turkey's attractiveness to investors. He said tax advantages provided to institutions operating in Istanbul Financial Center (IFC) will be expanded under the new regulations.

Gold, US Treasury & Dollar Index

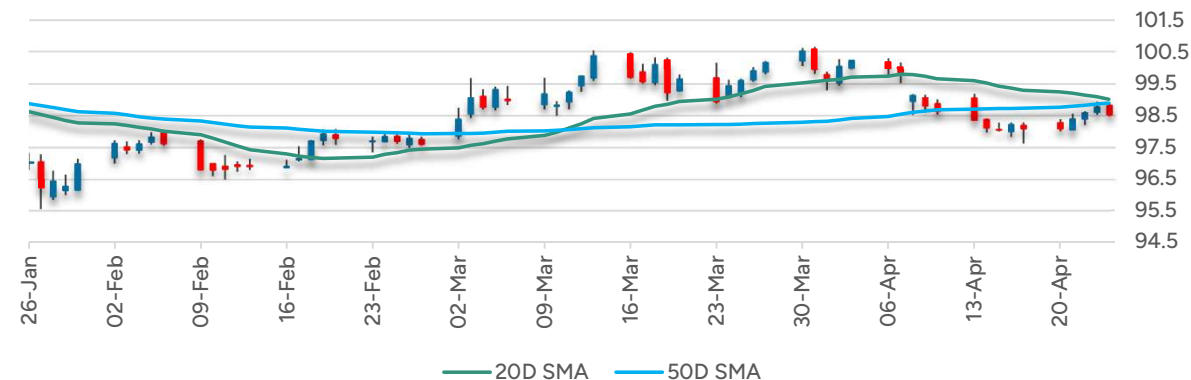
GOLD



10Y US-TREASURY



DOLLAR INDEX



US 10YT YIELD

4.31

1M %chg

-2.40%

3M %chg

2.35%

PRECIOUS-Gold gains but heads for first weekly loss in five weeks

24 Apr 2026 09:56:00 PM

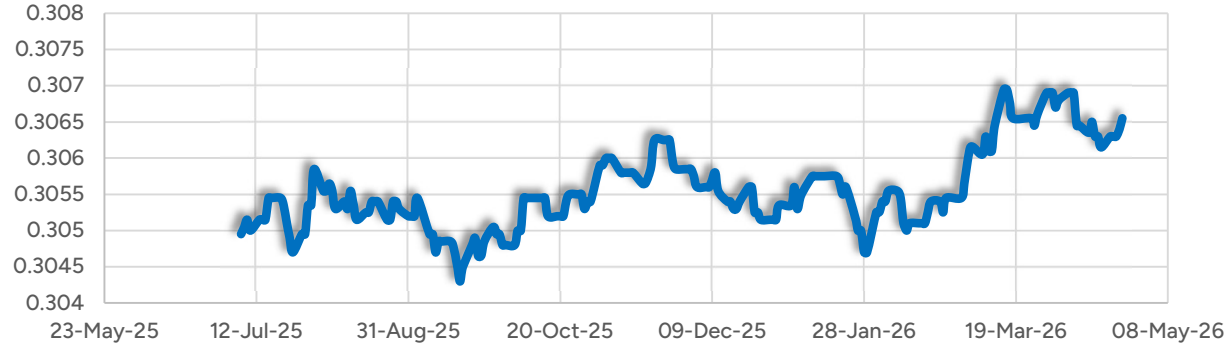
April 24 (Reuters) - Gold rose on Friday, but was on track for its first weekly loss in the last five weeks, as lingering inflation concerns and the uncertain state of the U.S.-Iran war kept markets on edge. Spot gold XAU= was up 0.6% at \$4,721.15 per ounce having risen more than 1% earlier in the session, and is down more than 2% so far this week. U.S. gold futures GCc1 for June delivery settled 0.4% higher to \$4,740.90. Oil prices ebbed on Friday, but those benchmarks have surged this week after a second round of talks between the U.S. and Iran failed to materialize, and as Iran flaunted its control over the Strait of Hormuz. Higher oil prices can stoke inflation, driving up chances of higher interest rates. Benchmark 10-year U.S. Treasury yields US10YT=RR were up 1.5% this week, raising the opportunity cost of holding gold, while the dollar was on track for its first weekly gain in three, making bullion more expensive for holders of other currencies.

UPCOMING KEY ECONOMIC INDICATOR RELEASES

INDICATOR	Ctry / Regn	Time	For	Prior	Consensus
Leading Indicator Revised	JP	27/Apr 08:00	Feb	0.3	
Jobs/Applicants Ratio	JP	28/Apr 02:30	Mar	1.19	1.18
Unemployment Rate	JP	28/Apr 02:30	Mar	2.60%	2.60%
JP BOJ Rate Decision	JP	28/Apr 03:00	Apr	0.75%	0.75%
Consumer Confidence	US	28/Apr 17:00	Apr	91.8	89.2
Consumer Confid. Final	EU	29/Apr 12:00	Apr	-20.6	-20.6
Durable Goods	US	29/Apr 15:30	Mar	-1.30%	0.50%
Housing Starts Number	US	29/Apr 15:30	Mar	1.487Mn	1.4Mn
Fed Funds Tgt Rate	US	29/Apr 21:00	Apr	3.63%	3.63%
Fed Int On Excess Reserves	US	29/Apr 21:00	Apr	3.65%	
Industrial O/P Prelim MM SA	JP	30/Apr 02:50	Mar	-2.00%	1.10%

Daily Market Report

KWD - CBK FIX



MARKET SUMMARY

INSTRUMENT	OPEN	HIGH	LOW	CLOSE	%CHG 1D
EUR	1.1682	1.1723	1.1671	1.172	0.32%
GBP	1.3464	1.3537	1.345	1.3531	0.48%
JPY	159.6	159.84	159.29	159.37	-0.21%
TRY	0.0222	0.0223	0.0221	0.0222	0.00%
Dollar Idx	98.821	98.915	98.489	98.533	-0.24%
Brent	106.02	107.48	103.41	105.33	0.25%
WTC	98.91	100.49	96.68	98.42	-0.86%
Gold	4692.2373	4740.05	4657.0674	4708.686	0.34%
KWSE Index	8885.79	8892.58	8865.72	8879	0.08%

KIBOR RATES

Tenor	Value	Tenor	Value
ON	2.44	3M	3.56
SW	3.25	6M	3.75
1M	3.38	1Y	3.94

CENTRAL BANK OF KUWAIT

KWD (CBK FIX) CLOSE

0.30660

3M% CHG

0.51%

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	3.66	6M	3.68
3M	3.67	1Y	3.70

OTHER C-BANK RATES

INDICATOR	As of	Value	Prior	Change
FED Target Rate	10/Dec/'25	3.75	4.00	-0.25
ECB Refinancing Rate	19/Mar/'26	2.15	2.15	0.00
BOE Bank Rate	19/Jun/'25	4.25	4.25	0.00
BOJ Prime Rate	10/Apr/'26	3.00	2.80	0.20
TRY ON Lending Rate	22/Jan/'26	40.00	41.00	-1.00

KEY INTERNATIONAL STORIES

US labor market stable despite war, but inflation pressures building up

WASHINGTON, April 23 (Reuters) - The number of Americans filing claims for unemployment benefits edged up last week, pointing to continued labor market stability in April, though economic uncertainty and higher prices stemming from the U.S.-Israeli war with Iran pose downside risks. Initial claims for state unemployment benefits rose by 6,000 to a seasonally adjusted 214,000 for the week ended April 18. Economists polled by Reuters had forecast 210,000 claims for the latest week. Claims are at about the midpoint of their 201,000-230,000 range for this year.

UK manufacturers report plunge in confidence, see jump in costs

LONDON, April 23 (Reuters) - British manufacturers have turned their most pessimistic since the start of the COVID-19 pandemic due to the Iran war and a measure of the expectations for inflation has surged, according to a survey published on Thursday. The Confederation of British Industry also showed firms' investment plans for buildings, plant and machinery and training were the weakest since April 2020. The survey's quarterly measure of optimism about the business outlook tumbled to -65 in April from -19 in January. The CBI's monthly order book balance sank to -38 from -27 in March.

Russia's economic contraction may spur key rate cuts, analysts say

MOSCOW, April 23 (Reuters) - Russia's economic contraction in the first two months of the year may prompt the central bank to cut its key rate faster than expected, some analysts said on Thursday, revising their earlier view of the outcome of the April 24 rate-setting meeting. Twenty-three analysts polled by Reuters on April 20 expected the central bank to cut the key rate by 50 basis points to 14.5%, but the prospects of the first quarterly economic contraction since the first three months of 2023 are causing some to rethink.

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Bank of Japan seen dropping hawkish signs even as it keeps rates steady

TOKYO, April 23 (Reuters) - The Bank of Japan is expected to keep interest rates steady next week but signal its readiness to hike them as soon as June, as a war-driven energy shock puts policymakers on guard against mounting inflation risks. Nearly two-thirds of economists polled by Reuters expect the BOJ to raise its benchmark rate to 1.0% by end-June. In current forecasts made in January, the BOJ expects the economy to grow 1.0% in fiscal 2026 before slowing to 0.8% in 2027. It projects core inflation to hit 1.9% in fiscal 2026 and 2.0% in 2027. Next week's quarterly report will include forecasts for fiscal 2028 for the first time.

Mexico's inflation eases less than expected in early April

MEXICO CITY, April 23 (Reuters) - Mexico's 12-month inflation stood at 4.53% in the first half of April, data from statistics agency INEGI showed on Thursday, above expectations but slowing from the previous month. Annual inflation in Latin America's second-largest economy eased from 4.63% in early March, but came in slightly above the 4.5% expected by economists polled by Reuters. Inflation remains above the Bank of Mexico's target of 3%, plus or minus one percentage point, fueling uncertainty over future monetary policy decisions. The closely watched core price index reached 4.27% in the 12 months through early April.

Oil prices end volatile session mixed but up sharply for the week on supply worries

NEW YORK, April 24 (Reuters) - Oil prices whipsawed in volatile trade on Friday, but were higher on the week, as traders weighed supply disruptions against the potential restart of peace talks between the U.S. and Iran that could help limit those disruptions. Brent crude futures settled at \$105.33 a barrel. U.S. West Texas Intermediate futures settled at \$94.40 a barrel, falling \$1.45, or 1.5%. For the week, Brent gained about 16% and WTI rose nearly 13%. Haitong Futures said in a report that if peace talks fail to make progress by the end of April and fighting resumes, oil prices could climb to new highs for the year.