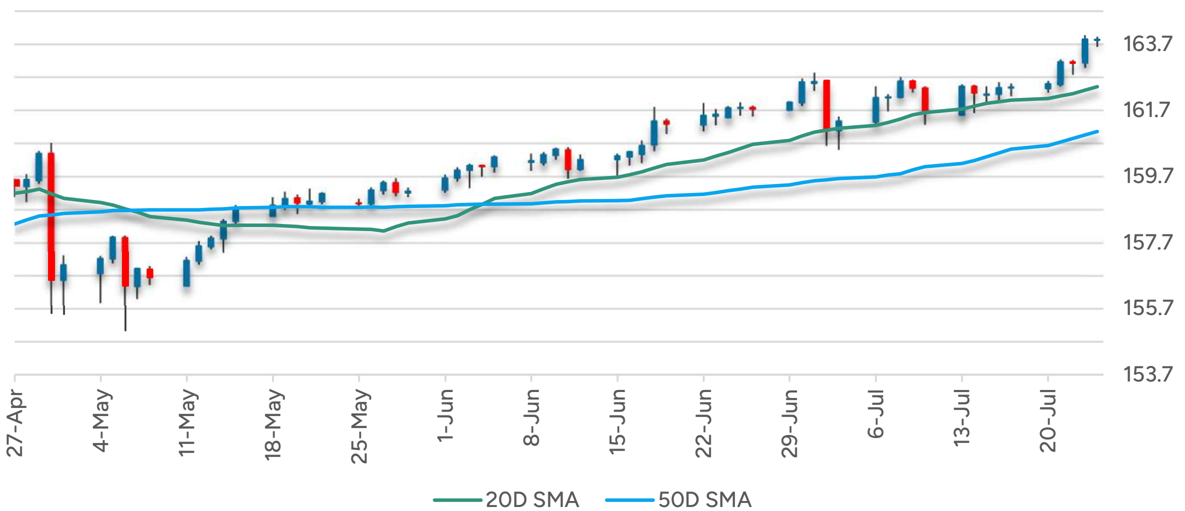
بيت التمويل الكويتي
KFH

Market Commentary
KFH Treasury

Report produced on
27-Jul-2026

Forex Market

JAPANESE YEN



CLOSE	1M %chg	3M %chg
163.84	1.30%	2.77%

USD/JPY off recent highs but still buoyant on 164
27 Jul 2026 04:16:54 AM
* USD/JPY down a bit after push up to 163.99 Thursday, still buoyant though
* Asia 163.55-71 EBS so far, talk of US-Iran hostilities pause help cap
* No assurances of a lasting ceasefire though, key straits still 'closed"
* Hourly chart shows spot dipping into 163.33-66 Ichimoku cloud
* Descending tenkan and kijun above cloud at 163.71 and 163.75, respectively
* Ascending 100-HMA below cloud at 163.28, 200-HMA 162.79 below
* $564 mln option expiries today between 163.00-10, $490 mln 164.00-15

EURO

CLOSE	1M %chg	3M %chg
1.1367	-0.14%	-3.01%

EUR/USD heavy but EUR crosses better bid
27 Jul 2026 07:59:23 AM
* EUR/USD remains heavy in Asia, 1.1387-1.1414 EBS, above recent lows but...
* Broad USD strength on Middle East developments still weigh
* Spot now above 1.1390-99 hourly Ichimoku cloud, tenkan 1.1400, kijun 1.1389
* Between descending 100-HMA at 1.1399 and 200-HMA at 1.1419
* Massive E4.1 bln in option expiries today between 1.1350-75, supportive
* Also some between 1.1380-95, E1.7 bln at 1.1400 and E4.1 bln 1.1410-50

Forex Market

POUND STERLING

CLOSE	1M %chg	3M %chg
1.3319	0.89%	-1.56%

COMMENT-Sterling faces continued pressure amid geopol, political uncertainties
24 Jul 2026 05:37:05 PM
Sterling's recent struggles could persist as escalating tensions in the Strait of Hormuz and new US tariffs introduce significant headwinds for the global economy and, by extension, the UK. Considering these intertwined geopolitical and domestic risks, the near-term outlook for sterling appears biased to the downside. Heightened geopolitical tensions, elevated oil prices, and an uncertain fiscal landscape in the UK advocate for a cautious approach to the currency. Technically, GBP/USD currently finds support at 1.3299, Thursday's low and the 61.8% Fibonacci retracement of 1.3140-1.3556, with further support at 1.3276, the July 2nd daily low. To reverse the bearish sentiment, bulls would need to push the pair above the 200-day moving average at 1.3399 and clear the daily cloud top at 1.3411.

TURKISH LIRA

CLOSE	1M %chg	3M %chg
0.0211	-1.40%	-4.95%

Turkey central bank keeps key interest rate at 37%
23 Jul 2026 03:38:40 PM
ISTANBUL, July 23 (Reuters) - Turkey's central bank left its key interest rate at 37% on Thursday, as expected, keeping borrowing costs unchanged for a fourth consecutive meeting as it monitors the inflation impact of the Iran war. The lira TRYTOM=D3 held steady at 47.2350 against the dollar after the announcement, while the main Istanbul share index .XU100 was slightly higher. The central bank said leading indicators suggested that the underlying trend of inflation would rise temporarily in July after easing slightly in June. The central bank also did not adjust its overnight lending and borrowing rates from 40% and 35.5%, respectively. The bank uses the rate corridor to adjust the cost of funding to the market when necessary without changing the benchmark rate.

Gold, US Treasury & Dollar Index

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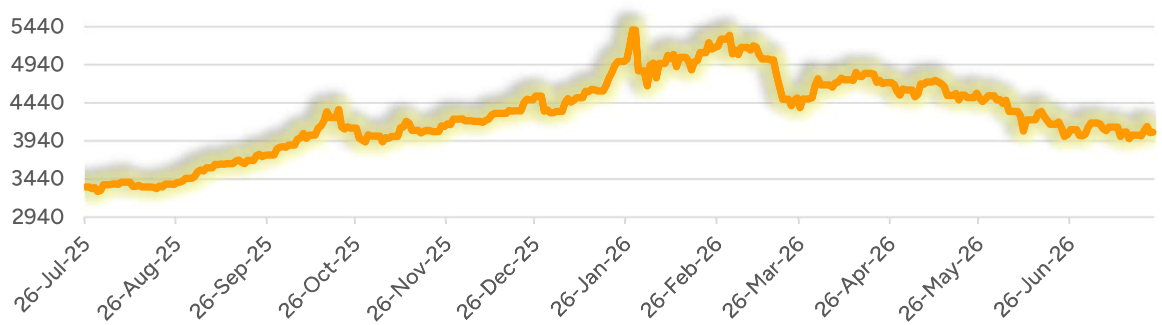
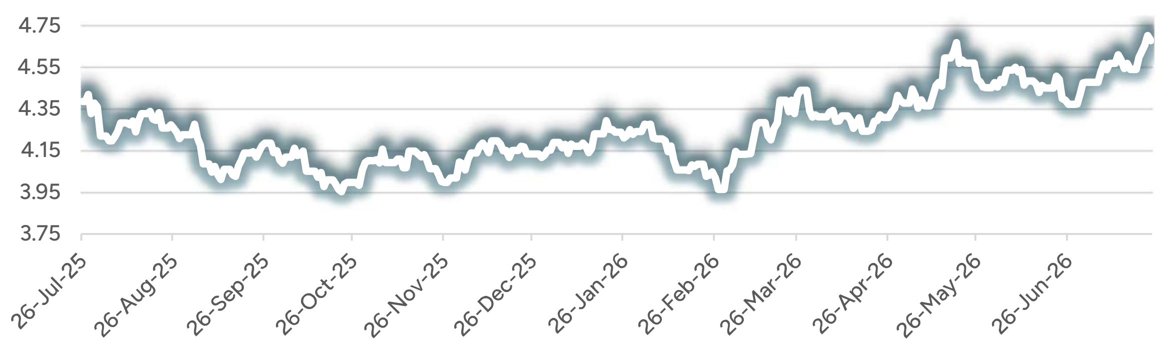
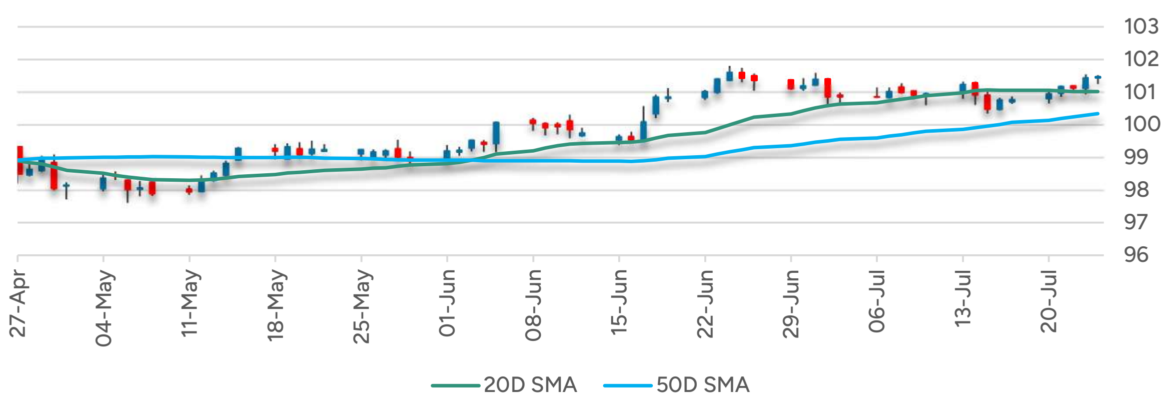
GOLD



10Y US-TREASURY



DOLLAR INDEX



US 10YT YIELD	1M %chg	3M %chg
4.64	**6.10%**	**6.98%**

PRECIOUS-Gold gains on pause in US-Iran fighting; Fed decision looms

27 Jul 2026 06:19:41 AM

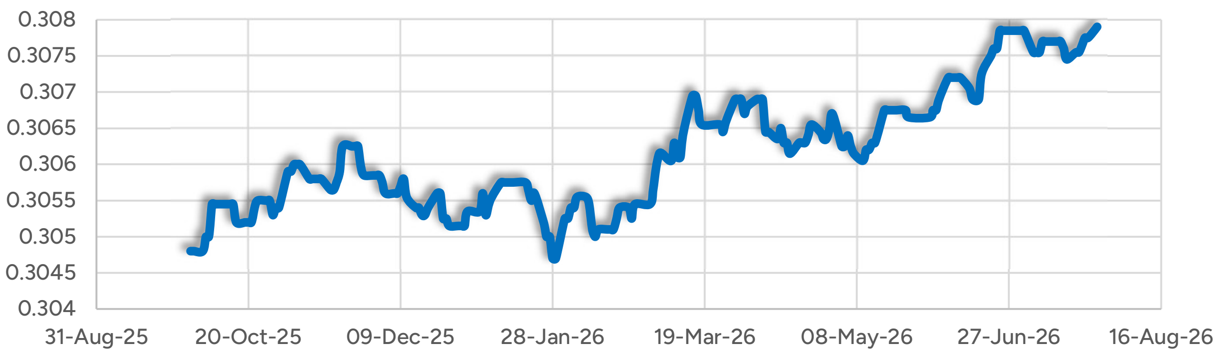
July 27 (Reuters) - Gold rose more than 1% on Monday as a pause in Middle East hostilities sent oil prices lower, alleviating some inflation concerns, while investors awaited the U.S. Federal Reserve's policy decision. Spot gold XAU= rose 1.4% to $4,110.56 per ounce. U.S. gold futures GCcv1 gained 1% to $4,112.10. "Gold is a clear beneficiary today of the dual price action in oil and the U.S. dollar, both of which have dropped on de-escalation hopes between the U.S. and Iran. Lower oil is easing inflation concerns," said Tim Waterer, chief market analyst at KCM Trade. "Longer term, I remain constructively bullish on gold. Gold's immediate fate is closely tied to where oil prices head from here and the path higher is likely to remain volatile and heavily influenced by geopolitical headlines until a more durable peace takes hold," Waterer added. Among other metals, spot silver XAG= rose 2.8% to $59.81 per ounce, platinum XPT= climbed 2.6% to $1,629.15 and palladium XPD= jumped 2.1% to $1,269.43.

UPCOMING KEY ECONOMIC INDICATOR RELEASES

INDICATOR	Ctry / Regn	Time	For	Prior	Consensus
Service PPI	JP	27/Jul 02:50	Jun	3.30%	
Leading Indicator Revised	JP	27/Jul 08:00	May	0.7	
Durable Goods	US	27/Jul 15:30	Jun	-4.50%	2.50%
Consumer Confidence	US	28/Jul 17:00	Jul	91.2	92.2
Fed Funds Tgt Rate	US	29/Jul 21:00	Jul	3.63%	3.63%
Fed Int On Excess Reserves	US	29/Jul 21:00	Jul	3.65%	
Consumer Confid. Final	EU	30/Jul 12:00	Jul	-15.9	
GDP Flash Prelim QQ	EU	30/Jul 12:00	Q2 2026	-0.20%	0.20%
GDP Flash Prelim YY	EU	30/Jul 12:00	Q2 2026	0.30%	0.40%
Unemployment Rate	EU	30/Jul 12:00	Jun	6.20%	6.20%
BOE Bank Rate	GB	30/Jul 14:00	Jul	3.75%	3.75%

Daily Market Report

KWD - CBK FIX



MARKET SUMMARY

INSTRUMENT	OPEN	HIGH	LOW	CLOSE	%CHG 1D
EUR	1.1371	1.14	1.1364	1.1367	-0.08%
GBP	1.3307	1.3348	1.3299	1.3319	0.05%
JPY	163.83	163.93	163.62	163.84	-0.01%
TRY	0.0212	0.0212	0.021	0.0211	-0.47%
Dollar Idx	101.444	101.53	101.248	101.468	0.02%
Brent	100.67	101.19	95.13	96.78	-3.88%
WTC	91.88	92.96	90.08	91.74	-1.44%
Gold	4046.74	4081.95	4020.7744	4052.562	0.13%
KWSE Index	8671.12	8738.7	8666.52	8697.27	0.41%

KIBOR RATES

Tenor	Value	Tenor	Value
ON	2.50	3M	3.56
SW	3.25	6M	3.75
1M	3.38	1Y	3.94

CENTRAL BANK OF KUWAIT

KWD (CBK FIX) CLOSE	3M% CHG
0.30795	**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	3.74	6M	3.98
3M	3.84	1Y	4.17

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	23/Jul/'26	2.40	2.40	0.00
BOE Bank Rate	19/Jun/'25	4.25	4.25	0.00
BOJ Prime Rate	10/Jun/'26	3.15	3.05	0.10
TRY ON Lending Rate	22/Jan/'26	40.00	41.00	-1.00

Global Top News

بيت التمويل الكويتي KFH

KEY INTERNATIONAL STORIES

US new home sales pick up in June, but affordability challenges remain

July 24 (Reuters) - Sales of new U.S. single-family homes snapped a two-month skid in June, but higher mortgage rates and affordability challenges restrained the rebound and continue to sideline potential buyers from the housing market. New home sales rose 1.6% to a seasonally adjusted annualized rate of 628,000 units last month from May's upwardly revised pace, the Commerce Department's Census Bureau said on Friday. New home sales, which are counted at the closing of a contract, account for a small share of U.S. home sales and tend to be volatile on a month-to-month basis.

UK retail sales get surprise boost from hot weather and World Cup

LONDON, July 24 (Reuters) - British retail sales rose unexpectedly in June as shoppers increased their spending on air conditioning and clothing, official data showed on Friday, adding to signs of a pickup in the economy spurred by warm weather and the soccer World Cup. Sales volumes in June rose 1.0%, the Office for National Statistics (ONS) said, well above economists' forecasts for a 0.3% fall in a Reuters poll. The ONS said the share of internet sales rose to its highest since April 2021 at 29.4% in the three months to June as the heatwave discouraged shoppers from visiting high streets.

ECB facing mid-sized inflation shock, will get to 2% in year or so, Lane says

FRANKFURT, July 24 (Reuters) - The European Central Bank still considers the current inflation shock to be medium-sized, which requires some policy action but not aggressive moves, and it will get price growth back to 2% in the next year or so, ECB chief economist Philip Lane said. The ECB left interest rates unchanged on Thursday but offered plenty of hints that more policy tightening will be needed and economists and traders are overwhelmingly betting on a rate hike in September. Financial markets expect at least two more rate hikes from the ECB, with moves fully priced in by October and March.

Japan's factory activity stays firm as output surges in July, PMI shows

TOKYO, July 24 (Reuters) - Japan's manufacturing activity remained broadly firm in July with output rising at its fastest rate since February 2014, while uncertainty about the Middle East situation continued to weigh on firms, a business survey showed on Friday. The S&P Global flash Japan Manufacturing Purchasing Managers' Index (PMI) came in at 54.7 in July, slightly softer than 54.8 in June. A reading above 50.0 indicates expansion, while below that level signals contraction. A key sub-index for factory output accelerated further, with the index climbing to its highest level since February 2014.

Brazil eases spending curb despite revenue shortfall from dividend tax

BRASILIA, July 24 (Reuters) - The Brazilian government on Friday reduced by 5.7 billion reais ($1.12 billion) a spending curb needed to comply with its fiscal frameworkdue to lower than expected mandatory expenditures despite a shortfall in revenue from dividend taxes. The government projected 28 billion reais in revenue this year from taxes on dividend income, but the tax service estimated on Friday it would only reach 17.2 billion reais. The government also estimated a primary budget deficit of 52 billion reais this year, compared with a 60.3 billion reais shortfall seen in May.

Oil slips 4% after US, Iran pause fighting over weekend

SINGAPORE, July 27 (Reuters) - Oil prices tumbled 4% on Monday after the U.S. and Iran paused strikes over the weekend after two weeks of attacks, raising hopes of a diplomatic solution that would de-escalate the conflict and allow shipping to resume in the Strait of Hormuz. Brent crude futures LCOc1 fell $3.96, or 4.1%, to $92.82 after briefly slipping under the key support level of $90 earlier in the session. U.S. West Texas Intermediate crude CLc1 was at $85.29 a barrel, down $4.02, or 4.5%. Both contracts are trading at their lowest levels in nearly a week after rising for the past three weeks.

LSEG

Market data & Reuters News is sourced from LSEG Workspace.