



October 31, 2025

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Lebanese Forex Market

	31/10/2025	24/10/2025	% Change	YTD
Euro / LP	103,524.65	104,044	-0.50%	11.73%
Euro / Dollar	1.1567	1.1625	-0.50%	11.73%
NEER Index	223.81	224.14	-0.15%	-4.44%

*prices are as of the time of writing this report

The Nominal Effective Exchange Rate (NEER) of the Lebanese pound fell by 4.44% this week, reaching 223.81 points on October 31st, 2025, against a basket of 21 influential currencies – including the Euro and British pound.

International Forex Market

	31/10/2025	24/10/2025	% Change	Status
Dollars index = DXY	99.554	98.952	0.61%	Strengthened
EUR/USD	1.1567	1.1625	-0.50%	Weakened
GBP/USD	1.3134	1.3309	-1.31%	Weakened
USD/CHF	0.8024	0.796	0.80%	Weakened
USD/CNY	7.1131	7.1211	-0.11%	Strengthened
USD/JPY	154.16	152.89	0.83%	Weakened
AUD/USD	0.6538	0.6513	0.38%	Strengthened
USD/CAD	1.4005	1.3995	0.07%	Weakened

*prices are as of the time of writing this report

In international currency markets this week, the **US Dollar Index** – a measure of the US currency's strength against a basket of six rivals – rose by 0.61% to 99.554 points, its highest since August. Investors reduced expectations for additional Federal Reserve rate cuts after Chair Powell emphasized that further easing in December is “not guaranteed.” The Fed's cautious stance, combined

with improved global trade sentiment from the Trump–Xi talks, kept the USD firm. The greenback's biggest gains were against the yen and pound, aligning with broad risk-on positioning and relative monetary-policy divergence.

The **Euro** weakened 0.50% to \$1.1567 as the stronger USD and muted ECB tone overshadowed mixed regional data. The ECB kept rates unchanged for the third straight meeting, reiterating a data-dependent stance, while the Fed's firmer tone increased rate-differential pressures. Although Q3 GDP grew 0.2% and unemployment remained low, the euro failed to gain traction amid cautious investor sentiment.

The **British Pound** fell 1.31% to \$1.3134, marking its steepest weekly drop since April. The decline stemmed from rising expectations of a BoE rate cut after soft inflation figures and reports that the OBR may downgrade the UK's productivity outlook, widening fiscal gaps. Political unease ahead of the November budget also weighed on sentiment, while dollar strength compounded losses.

The **Japanese yen** weakened by 0.83%, continuing its sharp decline toward 154.16 per dollar, a nine-month low. The slide reflects Japan's ongoing ultra-loose monetary stance under the new administration of Prime Minister Sanae Takaichi, whose expansionary fiscal plans reinforced expectations that the Bank of Japan (BoJ) will delay policy normalization. Governor Ueda's comments warning of trade-related risks and the global shift toward a stronger USD, driven by the Fed's cautious tone on future cuts, further pressured the yen.

The offshore **Yuan** strengthened slightly by 0.11% to 7.113 per dollar, extending its modest upward trend despite mixed domestic indicators. The move mirrors trade-related optimism following the Trump–Xi meeting, where both sides extended their truce and agreed to waver certain export restrictions. Although manufacturing PMI (49) confirmed industrial softness, expectations for targeted stimulus and stronger central-bank guidance kept the CNY supported.

Commodities

	31/10/2025	24/10/2025	% Change
Gold	4,010.26	4,113.05	-2.50%
Silver	48.88	48.63	0.51%
Brent Crude Oil	64.69	65.94	-1.90%
WTI Crude Oil	60.14	61.5	-2.21%

*prices are as of the time of writing this report

In commodity markets, **Gold** declined by 2.50% this week, closing at \$4,010.26 per ounce and marking its second consecutive weekly loss. The drop was mainly driven by fading expectations of further Federal Reserve rate cuts and optimism over a US-China trade truce, which reduced demand for safe-haven assets. The Fed's quarter-point cut earlier in the week offered little support as Chair Jerome Powell signaled uncertainty over another cut in December, keeping the dollar strong and weighing on bullion. Although gold remained up roughly 50% year-to-

date, the stronger greenback and easing geopolitical tensions capped its momentum despite continued central-bank purchases led by Kazakhstan and Brazil.

Silver edged 0.51% higher this week to \$48.88 per ounce, extending its modest rebound from early-week lows. Prices benefited from rising market volatility and a softer dollar following the Fed's 25-basis-point rate cut, which improved liquidity conditions for non-yielding metals. Although optimism surrounding US-China trade progress initially dampened safe-haven demand, silver later gained traction as London lease rates eased from record highs, signaling improved market liquidity after last month's short squeeze. Overall, silver's small weekly gain reflected technical buying and volatility-driven support, contrasting gold's decline amid easing macro risk.

Oil markets retreated this week, with **Brent crude** down 1.90% to \$64.69 per barrel and **WTI** falling 2.21% to \$60.14 per barrel, as oversupply concerns persisted ahead of the upcoming OPEC+ meeting. The alliance is expected to raise output by 137,000 barrels per day in December, adding pressure to an already well-supplied market. Record-high US production (13.6 million bpd) and rising Saudi exports further weighed on sentiment, offsetting limited support from US sanctions on major Russian oil firms. Additionally, global inventories swelled, with oil in tankers at sea reaching 1.4 billion barrels, reinforcing expectations of a surplus. While trade progress between the US and China improved demand sentiment slightly, a stronger dollar and rising supply kept prices under pressure, extending oil's third straight monthly decline.

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