Currencies Edge Higher; Metals Supported While Oil Slides on Oversupply Fears

BLOMINVEST BANK

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Lebanese Forex Market

	07/11/2025	31/10/2025	% Change
Euro / LP	103,247.20	103,229	0.02%
Euro / Dollar	1.1536	1.1534	0.02%
NEER Index	224.43	223.81	0.28%

*prices are as of the time of writing this report

The **Nominal Effective Exchange Rate** (NEER) of the Lebanese pound rose by 0.28% this week, reaching 224.43 points on November 7th, 2025, against a basket of 21 influential currencies – including the Euro and British pound.

International Forex Market

	07/11/2025	31/10/2025	% Change	Status
Dollars index = DXY	99.838	99.804	0.03%	Strengthened
EUR/USD	1.1536	1.1534	0.02%	Strengthened
GBP/USD	1.3095	1.3151	-0.43%	Weakened
USD/CHF	0.8082	0.805	0.42%	Weakened
USD/CNY	7.1229	7.1194	0.05%	Weakened
USD/JPY	153.49	154.01	-0.34%	Strengthened
AUD/USD	0.6481	0.6545	-0.98%	Weakened
USD/CAD	1.4118	1.401	0.77%	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 slightly by 0.03% to 99.838 points this week as traders reassessed expectations for the next Federal Reserve move amid mixed labor market indicators and continued delays in official data due to the extended government shutdown. Although private labor data showed rising job cuts, markets still priced a high probability of a December rate cut, however this uncertainty supported the dollar weekly performance and kept it elevated across major peers.

The **Euro** strengthened slightly by 0.02%, attempting to recover from recent three-month lows as investors weighed the divergence between ECB and Fed policy expectations. The ECB is expected to keep rates unchanged for longer while US data volatility pushed the dollar to moderate. This divergence supported a mild upward move for the euro, though upside remains limited by ECB caution and wage slowdown signals.

The **British Pound** weakened by 0.43% this week after the Bank of England kept its policy rate unchanged. Markets reacted to the unexpectedly close vote where four members supported a 25 bps cut, signaling softer inflation risks and increased downside pressures from weaker demand. This shift weighed on sterling's performance, keeping the currency trading near seven-month lows.

The **Japanese Yen** strengthened by 0.34% this week, supported by a safe-haven bid as global stocks and AI-related valuations triggered a risk-off mood. In addition, steady wage growth reinforced expectations that the Bank of Japan could stay on its tightening path, even though real wages remained negative for the ninth consecutive month. This combination helped lift the yen slightly against the dollar this week, reflecting the safe-haven preference and policy outlook signals from the BOJ.

The offshore **Yuan** weakened by 0.05% this week, reversing prior gains following disappointing trade data where exports contracted for the first time in eight months and shipments to the US fell sharply. The weak trade results reinforced concerns over slowing domestic demand and labor uncertainty, weighing on sentiment despite the extension of the US-China trade truce. The currency decline aligns with investors shifting cautious ahead of upcoming inflation figures.

Commodities

	07/11/2025	31/10/2025	% Change
Gold	4,006.79	4,002.92	0.10%
Silver	48.77	48.69	0.17%
Brent Crude Oil	64.25	65.07	-1.26%
WTI Crude Oil	60.29	60.98	-1.13%

*prices are as of the time of writing this report

In commodity markets, **Gold** saw a marginal weekly rise, driven mainly by softer labor data and rising rate-cut bets which helped safe-haven flows return later in the week. Although the easing in US-China trade tensions and China removing a tax incentive on gold retailers limited upside, economic uncertainty tied to the government shutdown and weaker consumer demand data continued to lend support to gold prices heading into next week.

Silver slightly increased this week to 48.77 per ounce, supported by expectations of a Fed rate cut as weak labor signals and record US job cuts boosted safe-haven demand. The prolonged US government shutdown increased reliance on private data, which further pushed markets toward pricing in a December 25 bps cut. This kept silver supported despite earlier profit-taking and improved US-China trade sentiment mid-week.

Oil benchmarks declined this week, with **Brent Crude** down 1.26% to $64.25 per barrel, and **WTI** falling 1.13% to $60.29 per barrel, as oversupply concerns dominated the market. Rising US inventories, increased output from OPEC+ and non-OPEC countries, and Saudi Arabia cutting December crude prices for Asian buyers weighed on sentiment. Although some geopolitical risk remains present, the market remains pressured by the expectation of a well-supplied environment and weaker demand outlook moving forward.

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