

Metals Shining Brighter: They Registered Weekly Price Gain



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Lebanese Forex Market

	19/12/2025	12/12/2025	% Change	YTD
Euro / LP	104,885.05	105,073	-0.18%	13.19%
Euro / Dollar	1.1719	1.174	-0.18%	13.19%
NEER Index	225.21	224.99	0.10%	-3.84%

*prices are as of the time of writing this report

The **Nominal Effective Exchange Rate (NEER)** of the Lebanese pound increased marginally by 0.1% this week, reaching 225.21 points on December 19th, 2025, against a basket of 21 influential currencies—including the Euro and British pound.

International Forex Market

	19/12/2025	12/12/2025	% Change	Status
Dollars index = DXY	98.65	98.40	0.25%	Strengthened
EUR/USD	1.1719	1.174	-0.18%	Weakened
GBP/USD	1.3377	1.3368	0.07%	Strengthened
USD/CHF	0.7952	0.796	-0.10%	Strengthened
USD/CNY	7.0407	7.0548	-0.20%	Strengthened
USD/JPY	157.20	155.84	0.87%	Weakened
AUD/USD	0.66075	0.6654	-0.70%	Weakened
USD/CAD	1.379	1.3769	0.15%	Weakened

*prices are as of the time of writing this report

In international currency markets this week, the US Dollar Index (DXY) — a measure of the US currency's strength against a basket of six rivals— rose by 0.25% to 98.65 points. Fresh data released this week fueled hopes for additional

rate cuts in 2026. November US inflation eased to 2.7%, below anticipated 3.1%, along with increased November unemployment rate to 4.6%. Moreover, Fed Governor Christopher Waller, a leading contender for Fed Chair role, stated that rates must be 1% lower, however, at a cautious pace. As such, current market prospects price a 73.4% no rate cut in January 2025 Federal Open Market Committee (FOMC) meeting as per CME Fedwatch Tool as shown in the below table.

TARGET RATE (BPS)	PROBABILITY(%)			
	NOW *	1 DAY 18 DEC 2025	1 WEEK 12 DEC 2025	1 MONTH 19 NOV 2025
325-350	26.6%	26.6%	24.4%	15.3%
350-375 (Current)	73.4%	73.4%	75.6%	50.4%
375-400	0.0%	0.0%	0.0%	34.3%

* Data as of 19 Dec 2025 03:20:19 CT

As the Dollar weakens, other currencies tend to strengthens against it.

The **euro** dropped by 0.18% this week to 1.1719 per dollar as European Central Bank kept interest rates steady. Updated forecasts revealed higher Euro Zone GDP growth recording 1.4% in 2025 and 1.2% in 2026, while inflation is expected to stay close to 2% in 2025 and record 1.9% in 2026. As per Reuters' FX Poll, the Euro is set to strengthen marginally in the upcoming 12 months.



Source: LSEG Workspace / Poll Date: December 3rd, 2025

Note: SmartEconomics® produces forecasts significantly more accurate than consensus by scoring each contributor's track record—comparing Reuters poll estimates to actual outcomes across asset classes.

However, **sterling** rose by 0.07% this week, after latest Bank of England monetary decision to cut rates by 25 bps as expected. The 5-4 vote split reveals that there is a narrow space for more easing in the near future. UK inflation in November came better than expected (3.4%) and recorded 3.2%. As per Reuters' FX Poll, the British Pound is set to weaken marginally in the upcoming months.



Source: LSEG Workspace / Poll Date: December 3rd, 2025

Note: SmartEconomics® produces forecasts significantly more accurate than consensus by scoring each contributor's track record—comparing Reuters poll estimates to actual outcomes across asset classes.

As for Asian currencies, results were mixed. The **Japanese Yen** weakened against the US Dollar by 0.87% and recorded 157.2 after increasing interest rates by 25 bps to reach 0.75% (highest level since 1995) as per expectations.

However, **Chinese Yuan** appreciated this week by 0.2% against the US Dollar and recorded 7.0407. The appreciation is attributed to firm central bank guidance and seasonal year-end exporter demand. Usually, yuan is supported by exporters exchanging a greater share of foreign exchange receipts at year end for various payments and administrative requirements.

Commodities

	19/12/2025	12/12/2025	% Change
Gold	4,326.73	4,299.63	0.63%
Silver	65.90	61.96	6.36%
Brent Crude Oil	59.71	61.12	-2.31%
WTI Crude Oil	55.84	56.82	-1.72%

*prices are as of the time of writing this report

In commodity markets, **gold** rose by 0.63% this week to \$4,326.73 per ounce on track for a second weekly gain, and trading near October all-time high. This increase is credited to the increased expectations of two rate cuts in 2026 in addition to escalated geo-political tensions between the US and Venezuela.

Similarly, silver surged by 6.36% this week recording \$65.9 per ounce and reaching all-time high this week. In addition to the newly released economic data and geo-political tensions, strong industrial demands for expanding solar, electric vehicle, and data center sectors supported silver.

It is interesting to note that Platinum performed in line with other metals and recorded 18-year high this week. It reached \$1,950 per ounce reinforced by supply-side worries as several mines in South Africa, world's leading producer, recorded weaker than expected production. To note, the 2025 supply deficit forecast of 69,200 ounces is recorded as per World Platinum Investment Council.

In oil markets, **Brent and West Texas Intermediate** (WTI) crude prices dropped this week by 2.31% and 1.72% respectively, as oversupply overshadowed geo-political tensions in addition to weaker demand. Non-OPEC producers increased output while demand from China, a major consumer and second largest economy, displayed early signs of softness. Besides that, the increased tensions between US and Venezuela in addition to increased pressure on Russia for a peace deal with Ukraine. In addition, the US forced seized a blacklisted tanker at its coast and commanded a full halt of maritime traffic involving sanctioned oil tankers functioning to and from Venezuela.

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