

Nuclear Talks Extension Weigh on Oil and Fuels Safe-Haven Demand



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Lebanese Forex Market

	27/02/2026	20/02/2026	% Change	YTD
Euro / LBP	105,627.90	105,189.35	0.42%	0.58%
Euro / Dollar	1.1805	1.1780	0.21%	0.48%
NEER Index	117.80	117.75	0.04%	-47.74%

*Prices are as of the time of writing this report

The Nominal Effective Exchange Rate (NEER) of the Lebanese pound marginally rose by 0.04% this week, reaching 117.8 points, against a basket of 21 influential currencies, including the Euro and British pound.

International Forex Market

	27/02/2026	20/02/2026	% Change	Status
Dollars index = DXY	97.70	97.80	-0.10%	Weakened
Euro (EUR/USD)	1.1805	1.1780	0.21%	Strengthened
U.K. Pound (GBP/USD)	1.3493	1.3482	0.08%	Strengthened
Swiss Franc (USD/CHF)	0.7728	0.7758	-0.39%	Strengthened
Chinese Yuan (USD/CNY)	6.8581	6.9080	-0.72%	Strengthened
Japanese Yen (USD/JPY)	156.19	155.05	0.74%	Weakened
Australia \$ (AUD/USD)	0.7112	0.7083	0.41%	Strengthened
Canadian \$ (USD/CAD)	1.3676	1.3678	-0.01%	Strengthened

*Prices are as of the time of writing this report

In international currency markets, the **US Dollar Index**—a measure of the US currency’s strength against a basket of six rivals— slightly fell by 0.1% this week to 97.7 points as investors awaited inflation data that could provide signals on Fed policy direction. The US dollar remained pressured by uncertainty over Washington’s tariff policies. Market caution also persists as investors eye US-Iran nuclear talks.

The **Chinese Yuan** strengthened by 0.72% this week, hitting a two-year peak on Thursday as the dollar weakened. However, the rally stalled after the People’s Bank of China (PBOC) announced on Friday that it would slash the risk reserve requirement for foreign-exchange forward contracts from 20% to zero, effective March 2. This move significantly lowers the cost of betting against the yuan.

As the Dollar weakened, all other major currencies strengthened against it.

The **Japanese Yen** was an exception as its value declined to ¥156.19 versus the dollar this week from about ¥155.05 last Friday. This move followed Japan’s Prime Minister Sanae Takaichi choosing two academics who would favor a looser monetary policy for position at the Bank of Japan (BoJ). Analysts warned that Ayano Sato of Aoyama Gakuin University and Toichiro Asada of Chuo University both supported economic stimulus and cutting rates, and could advocate for raising rates despite BoJ Governor Kazuo Ueda’s push to “normalise” policy through rate hikes. Earlier this week, the yen also weakened after a Japanese media report said that Takaichi had a meeting with Ueda in which she voiced doubts about the necessity of additional rate hikes. The yen found some support after Ueda, in an interview with the Yomiuri newspaper, emphasized that the BoJ would carefully monitor data at its March and April meetings before setting the trajectory of interest rates.

Commodities

	Currency	27/02/2026	20/02/2026	% Change
Gold (Spot)	USD	5,179.58	5,104.34	1.47%
Silver (Spot)	USD	89.80	84.65	6.09%
Brent Crude Oil	USD	71.44	71.76	-0.45%
WTI Crude Oil	USD	65.90	66.39	-0.74%

*Prices are as of the time of writing this report

In commodity markets, **gold** and **silver** rose by 1.47% and 6.09% this week, respectively. Precious metals are seen as safe havens amid geopolitical and economic uncertainty. U.S. Trade Representative Jamieson Greer stated Wednesday that US tariffs for selected nations will jump from 10% to 15% or more, without specifying which trading partners would be affected. In addition, traders are still monitoring updates on US-Iran nuclear talks.

In oil markets, **Brent** and **WTI crude** slipped this week by 0.45% and 0.74%, respectively, as traders tracked US-Iran negotiations, which are now extending into next week. This dampened fears of tighter sanctions or Strait of Hormuz disruptions. The weekly drop reflects a market that remains structurally oversupplied. With OPEC+ potentially increasing output in April and Iran front-loading exports, the fundamental bearishness remains unchanged.

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