



May 8, 2026

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### Lebanese Forex Market

	08/05/2026	01/05/2026	% Change	YTD
<b>Euro / LP</b>	105,109	104,894	0.20%	-0.01%
<b>Euro / Dollar</b>	1.1744	1.1720	0.20%	-0.01%
<b>NEER Index</b>	120.50	120.23	0.22%	-46.54%

\*prices are as of the time of writing this report

The Nominal Effective Exchange Rate (NEER) of the Lebanese pound rose by 0.22% this week, reaching 120.50 points on May 8<sup>th</sup>, 2026, against a basket of 21 influential currencies – including the Euro and British pound.

### International Forex Market

	08/05/2026	01/05/2026	% Change	Status
<b>Dollars index = DXY</b>	98.11	98.16	-0.05%	Weakened
<b>EUR/USD</b>	1.1744	1.172	0.20%	Strengthened
<b>GBP/USD</b>	1.3584	1.3572	0.09%	Strengthened
<b>USD/CHF</b>	0.7792	0.7815	-0.29%	Strengthened
<b>USD/CNY</b>	6.8014	6.8273	-0.38%	Strengthened
<b>USD/JPY</b>	156.78	157.03	-0.16%	Strengthened
<b>AUD/USD</b>	0.7227	0.7203	0.33%	Strengthened
<b>USD/CAD</b>	1.3649	1.3588	0.45%	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 weakened against a basket of six rivals – fell by 0.05% to 98.11 points. This decrease was mainly driven by easing geopolitical tensions which

reduced demand for the currency's safe-haven appeal. Throughout the week, the dollar fluctuated between gains and losses depending on developments surrounding the US-Iran conflict and the Strait of Hormuz. Early tensions and rising oil prices initially supported the greenback amid expectations that the Federal Reserve may need to maintain restrictive monetary policy to contain inflationary pressures. However, optimism surrounding a potential US-Iran agreement and easing oil prices later weakened the dollar by reducing inflation concerns and tempering expectations for further aggressive monetary tightening. Investors also focused on upcoming US labor market data, with expectations pointing toward slower job growth in April compared to March.

The **Euro** strengthened by 0.20% against the US dollar during the week, with the EUR/USD rate rising from 1.172 to 1.1744. The currency climbed toward its highest level since April as optimism surrounding a potential US-Iran agreement weakened the US dollar's safe-haven demand. Expectations that the European Central Bank may continue tightening monetary policy further supported the euro, with markets pricing in approximately two rate hikes by the end of the year amid persistent inflationary pressures within the Euro Area. Earlier in the week, the euro faced pressure from heightened geopolitical tensions, elevated oil prices, and additional US tariffs on European vehicles, though improving diplomatic prospects in the Middle East later strengthened investor sentiment toward the common currency.

The **British Pound** strengthened modestly by 0.09% against the US dollar during the week, as the GBP/USD rate increased from 1.3572 to 1.3584. Sterling remained near its highest level in more than two months, benefiting from weaker demand for the US dollar amid growing optimism surrounding a possible US-Iran agreement. Expectations for additional monetary tightening by the Bank of England also supported the pound, with markets continuing to price in around two interest rate hikes by year-end. Nonetheless, domestic political uncertainty surrounding Britain's municipal elections and concerns over potential setbacks for Prime Minister Keir Starmer's Labour Party limited stronger gains in the

currency. Despite these concerns, improving global risk sentiment and easing geopolitical fears helped sterling maintain its positive trajectory during the week.

The **Japanese Yen** strengthened by 0.16% against the US dollar during the week, with the USD/JPY rate declining from 157.03 to 156.78. The currency experienced volatile trading conditions as markets closely monitored the possibility of intervention by Japanese authorities after the yen previously weakened beyond the key 160 threshold. Speculations surrounding Tokyo’s intervention efforts, alongside stronger domestic data showing real wages rising for a third consecutive month in March, reinforced expectations that the Bank of Japan may continue tightening monetary policy. Additionally, periods of easing geopolitical tensions and weaker US dollar demand supported the yen. However, renewed clashes in the Strait of Hormuz later boosted safe-haven demand for the dollar, limiting stronger gains for the Japanese currency by the end of the week.

The **Chinese yuan** strengthened by 0.38% during the week, as the USD/CNY rate declined from 6.8273 to 6.8014. The yuan remained near its strongest level since February 2023, supported by improving investor sentiment ahead of the anticipated Trump-Xi summit next week and optimism surrounding diplomatic progress between the US and Iran. Reduced demand for the US dollar as a safe-haven asset also contributed to the yuan’s appreciation. Domestically, stronger economic activity further supported the currency after China’s composite PMI improved in April, reflecting faster expansion in both manufacturing and services sectors. Nevertheless, lingering geopolitical uncertainty and renewed tensions tied to US sanctions on Chinese refiners processing Iranian oil continued to weigh on broader market sentiment.

### Commodities

	08/05/2026	01/05/2026	% Change
<b>Gold</b>	4,713.82	4,613.62	2.17%
<b>Silver</b>	80.20	75.36	6.42%
<b>Brent Crude Oil</b>	100.33	108.17	-7.25%
<b>WTI Crude Oil</b>	94.63	101.94	-7.17%

\*prices are as of the time of writing this report

In commodity markets, **Gold** prices rose by 2.17% week on week to \$4,713.82 per ounce after fluctuating sharply during the period. At the beginning of the week, gold came under pressure as rising Middle East tensions and surging oil prices intensified inflation fears and increased expectations that central banks could delay interest rate cuts or tighten policy further. Nevertheless, prices later recovered as reports of potential progress in US-Iran negotiations and discussions regarding the gradual reopening of the Strait of Hormuz improved market sentiment and reduced inflation concerns after oil prices retreated. Despite the rebound, continued geopolitical uncertainty and renewed clashes toward the end of the week maintained volatility in gold markets, with investors closely monitoring developments expected next week.

**Silver** prices increased by 6.42% week on week to \$80.20 per ounce, despite experiencing significant volatility throughout the week. The metal initially faced pressure as escalating tensions between the US and Iran pushed energy prices sharply higher, fueling inflation concerns and strengthening expectations that central banks may maintain elevated interest rates for longer. However, silver later rebounded strongly as optimism surrounding a possible diplomatic agreement between Washington and Tehran improved market sentiment and contributed to a decline in oil prices, easing fears of prolonged inflationary pressures. Still, renewed military clashes near the end of the week, particularly around the Strait of Hormuz, limited stronger gains and kept investors cautious ahead of Iran's expected response to the US proposal in the coming days.

Oil prices remained highly volatile throughout the week, with **Brent Crude** declining by 7.25% week on week to \$100.33 per barrel and **WTI Crude** falling by 7.17% to \$94.63 per barrel. At the start of the week, oil prices surged sharply as escalating clashes between the US and Iran, attacks on vessels and energy infrastructure, and disruptions in the Strait of Hormuz heightened fears of major global supply shortages. However, prices later retreated as markets reacted positively to reports of possible diplomatic progress between both countries and expectations regarding the gradual reopening of the Strait of Hormuz. Despite this decline, renewed confrontations toward the end of the week reignited concerns

over global supply disruptions, restricted tanker movements, and slow recovery in Gulf production capacity, keeping energy markets under pressure and investors focused on Iran's anticipated response to the US proposal in the coming days.

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