Dollar Index Slides on Unchanged Rates and Yen Intervention

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July 31, 2026

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Lebanese Forex Market

	31/07/2026	24/07/2026	% Change	YTD % Change
Euro / LBP	102,987.65	101,859.95	1.11%	-1.93%
Euro / Dollar	1.1513	1.1367	1.28%	-2.01%
NEER Index	124.87	124.65	0.18%	-44.61%

*Prices are as of the time of writing this report

The Nominal Effective Exchange Rate (NEER) of the Lebanese pound rose by 0.18% this week, reaching 124.87 points, against a basket of 21 influential currencies, including the Euro and British pound, driven by the U.S. Dollar’s strenghtening.

International Forex Market

	31/07/2026	24/07/2026	% Change	Status
Dollars index = DXY	100.13	101.47	-1.32%	Weakened
Euro (EUR/USD)	1.1513	1.1367	1.28%	Strenghtened
U.K. Pound (GBP/USD)	1.3448	1.3323	0.94%	Strenghtened
Swiss Franc (USD/CHF)	0.8069	0.8181	-1.37%	Strenghtened
Chinese Yuan (USD/CNY)	6.7486	6.7722	-0.35%	Strenghtened
Japanese Yen (USD/JPY)	160.47	163.85	-2.06%	Strenghtened
Australia $ (AUD/USD)	0.7035	0.6980	0.79%	Strenghtened
Canadian $ (USD/CAD)	1.4018	1.4095	-0.55%	Strenghtened

*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— fell by 1.32% this week to 100.13 points, weighed down by the Federal Reserve's cautious policy as it kept rates unchanged this week despite the ongoing war in the Middle East, and suspected Japanese intervention to support the yen.

As per CME FedWatch, traders now expect the Fed to be more hawkish this year compared to last week.

TARGET RATE (BPS)	PROBABILITY(%)			
	NOW *	1 DAY 29 JUL 2026	1 WEEK 24 JUL 2026	1 MONTH 30 JUN 2026
350-375 (Current)	14.9%	17.9%	7.7%	16.3%
375-400	43.9%	43.7%	32.0%	39.1%
400-425	33.8%	31.3%	38.7%	32.2%
425-450	7.3%	6.8%	18.5%	11.0%
450-475	0.0%	0.1%	3.0%	1.3%

* Data as of 31 Jul 2026 03:06:36 CT

1/1/2028 and forward are projected meeting dates

As the dollar weakens, other currencies tend to strenghten against it.

The **Japanese yen** advanced 2.06% this week, rebounding sharply after authorities stepped in to stabilize the currency. Thursday's intervention—the first in three months—pushed the yen up as much as 3.6% from near a forty-year low. Analysts warn, however, that intervention offers only short-term respite. Without a shift in fundamentals, debate over additional rate hikes is likely to return. The Bank of Japan, for its part, held rates steady but hinted at further tightening.

Arab Forex Market

	31/07/2026	24/07/2026	% Change	Status
Egyptian Pound (USD/EGP)	51.10	51.30	-0.39%	Strengthened
Turkish lira (USD/TRY)	47.5203	47.3290	0.40%	Weakened
Syrian Pound (USD/SYP)	121.5500	121.5200	0.02%	Weakened
Iranian Rial (USD/IRR)	1,375,022	1,375,122	-0.01%	Strengthened
Kuwaiti Dinar (USD/KWD)	0.30765	0.30775	-0.03%	Strengthened
Moroccan Dirham (USD/MAD)	9.3410	9.3574	-0.18%	Strengthened
Tunisian Dinar (USD/TND)	2.94	2.95	-0.46%	Strengthened
Algerian Dinar (USD/DZD)	132	133	-0.26%	Strengthened

*Prices are as of the time of writing this report

N.B.:

- Saudi Riyal, UAE Dirham, Qatari Riyal, Bahraini Dinar, and Omani Rial are all pegged to the US dollar.
- The Kuwaiti Dinar is pegged to a basket of currencies that includes the dollar.
- Outside the GCC, the Iraqi Dinar and the Jordanian Dinar are also pegged to the US dollar.

Commodities

	Currency	31/07/2026	24/07/2026	% Change
Gold (Spot)	USD	4,071.42	4,053.17	0.45%
Silver (Spot)	USD	58.14	58.19	-0.08%
Brent Crude Oil	USD	86.01	96.78	-11.13%
WTI Crude Oil	USD	82.35	89.31	-7.79%

*Prices are as of the time of writing this report

In commodity markets, **gold** rose by 0.45% this week to $4,071.42 per ounce, supported by the Fed's decision to keep rates unchanged, even as inflation risks mounted from renewed conflict in the Middle East, which made the non-yielding metal more attractive. Yet, expectations of future tightening limited upside momentum. Gold prices were also lifted by a weaker dollar as the yellow metal became cheaper for holders of other currencies. Meanwhile, **silver** marginally dropped by 0.08% to $58.14.

In oil markets, **Brent** and **WTI crude** dropped by 11.13% and 7.79% this week to $86 and $82.35 per barrel, respectively. Yet both contracts remained on course for roughly 20% monthly gains as the Middle East war kept supply disruption risks elevated. Oil's weekly decline followed Saudi Arabia's proposal for a naval coalition to safeguard trade routes after repeated attacks by Iran and its allies in the Red Sea and Strait of Hormuz. The initiative, discussed at a meeting of over 40 countries, came as Iran's Houthi allies in Yemen declared a maritime embargo on Saudi Arabia last week. Traders are also pricing in an expected OPEC+ September supply increase of 188,000 barrels per day, to be announced on Sunday's meeting.

For your Queries:

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