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Lebanese Forex Market

	10/9/2026	10/2/2026	% Change	YTD
Euro / LBP	100,491	100,714	-0.22%	-4.40%
Euro / Dollar	1.1228	1.1255	-0.24%	-4.40%
NEER Index	128.63	128.07	0.44%	-42.94%

*prices are as of the time of writing this report

The Nominal Effective Exchange Rate (NEER) of the Lebanese pound rose by 0.44% this week, reaching 128.63 points on October 9th, 2026, against a basket of 21 influential currencies – including the Euro and British pound.

International Forex Market

	10/9/2026	10/2/2026	% Change	Status
Dollars index = DXY	102.03	101.93	0.09%	Strengthened
Euro (EUR/USD)	1.1228	1.1255	-0.24%	Weakened
U.K. Pound (GBP/USD)	1.1228	1.1255	-0.24%	Weakened
Swiss Franc (USD/CHF)	0.8305	0.8288	0.21%	Weakened
Chinese Yuan (USD/CNY)	6.6924	6.706	-0.20%	Strengthened
Japanese Yen (USD/JPY)	158.27	157.85	0.27%	Weakened
Australia \$ (AUD/USD)	0.6978	0.6956	0.32%	Strengthened
Canadian \$ (USD/CAD)	1.4225	1.4251	-0.18%	Strengthened

*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 strengthened against a basket of six rivals – rose slightly by 0.09% to 102.03 points, supported by elevated Treasury yields, inflation concerns

and expectations of further Federal Reserve tightening. Political and fiscal uncertainty in France and Spain also supported the greenback, while rising oil prices during the week reinforced expectations that US interest rates could remain elevated for longer. Minutes from the Fed's September meeting indicated that most policymakers favored another rate increase before year-end. However, weaker than expected employment data, with only 29,000 jobs added in September, reduced expectations of an immediate hike. The dollar subsequently faced pressure as Treasury yields declined following strong demand at a 30-year bond auction and easing US-Iran tensions contributed to lower oil prices.

The **Euro** weakened by 0.24% over the week to \$1.1228, weighed down by mounting fiscal concerns, political uncertainty and persistent inflationary pressures. France's challenging fiscal position and doubts surrounding its proposed deficit reduction measures undermined investor confidence, while Spain's decision to call a snap election for November 29 added to regional instability. Meanwhile, elevated energy prices following disruptions to shipping through the Strait of Hormuz has intensified inflation concerns, with Eurozone inflation reaching 3.8% in September, well above the European Central Bank's 2% target. Although inflation reinforced expectations of further monetary tightening, higher borrowing costs and weaker growth prospects complicated the ECB's policy outlook.

The **British Pound** weakened by 0.24% over the week, as elevated energy prices, persistent inflation concerns and rising borrowing costs weighed on the UK's economic outlook. Disruptions to shipping through the Strait of Hormuz pushed Brent crude above \$100 per barrel during the week, reinforcing expectations of prolonged restrictive monetary policy by the Bank of England. BoE policymaker Catherine Mann warned that inflation could reach 4% around the turn of the year, while markets priced in more than 100 basis points of additional tightening by the end of next year. These expectations pushed UK government bond yields to multi-year highs, raising concerns over growth as the construction sector continued to contract. Meanwhile, expectations of further Fed tightening supported the US

dollar, adding pressure on sterling, although the pound strengthened against the euro amid France's fiscal and political uncertainty.

The **Japanese Yen** weakened by 0.27% over the week to 158.27 per US dollar, primarily pressured by the wide interest rate differential between Japan and the United States, relatively low domestic borrowing costs and Japan's substantial debt burden. Prime Minister Sanae Takaichi's expansionary fiscal policies, including plans to reduce the consumption tax on food products, added to concerns over the country's fiscal outlook. Meanwhile, economic indicators presented a mixed picture, with real wages rising by 1.5% year on year in August and the current account surplus exceeding expectations, while household spending declined for the ninth consecutive month. Although Bank of Japan board member Ayano Sato supported gradual interest rate increases, expectations of further monetary tightening provided limited support to the yen as the US-Japan yield gap continued to weigh on the currency.

The **Chinese Yuan** strengthened by 0.20% over the week to 6.6924 per US dollar, amid ongoing discussions surrounding China's exchange rate policy and trade relations with the European Union. European officials raised concerns that an undervalued yuan was providing Chinese exporters with a competitive advantage, contributing to the bloc's widening trade deficit with China. However, the People's Bank of China defended its exchange rate policy, emphasizing that China's export competitiveness reflected improvements in industrial capabilities rather than currency adjustments. The yuan also benefited from relative weakness in the euro, which has depreciated by more than 10% against the Chinese currency from its January peak, amid sluggish European growth and fiscal challenges in France.

MENA Forex Market

	10/9/2026	10/2/2026	% Change	Status
Egyptian Pound (USD/EGP)	52.3900	52.3135	0.15%	Weakened
Turkish Lira (USD/TRY)	49.3427	49.135	0.42%	Weakened
Syrian Pound (USD/SYP)	121.5	121.5	0.00%	Unchanged
Iranian Rial (USD/IRR)	1,768,000	1,747,044	1.20%	Weakened
Kuwaiti Dinar (USD/KWD)	0.3081	0.3079	0.06%	Weakened
Moroccan Dirham (USD/MAD)	9.8764	9.9347	-0.59%	Strengthened
Tunisian Dinar (USD/TND)	3.0001	2.9921	0.27%	Weakened
Algerian Dinar (USD/DZD)	134.389	133.8397	0.41%	Weakened

*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.

Notably, the **MENA** currency market experienced a broadly weakening trend over the week, as most regional currencies depreciated against the **US Dollar** amid geopolitical tensions and economic uncertainty. The **Iranian Rial** recorded the sharpest decline, weakening by 1.20%, followed by the **Turkish Lira** and **Algerian Dinar**, which fell by 0.42% and 0.41%, respectively. Meanwhile, the **Egyptian Pound** depreciated slightly by 0.15% to 52.39 per US dollar, while the **Moroccan Dirham** strengthened by 0.59%, outperforming its regional counterparts. Iraq faced significant pressure as disruptions to oil exports through the Strait of Hormuz prompted the central bank to devalue the dinar by approximately 13%, raising the dollar-selling rate from 1,320 to 1,520 dinars. According to Bloomberg, Iraqi crude oil exports averaged just 1.25 million barrels per day since March, compared with nearly 3.5 million last year, severely affecting oil revenues. Consequently, the IMF projects Iraq's economy to contract by nearly 7% in 2026, highlighting the economic impact of ongoing regional instability.

Commodities

	10/9/2026	10/2/2026	% Change
Gold	4,191.15	4,141.19	1.21%
Silver	60.39	60.36	0.05%
Brent Crude Oil	102.8	102.25	0.54%
WTI Crude Oil	90.39	91.11	-0.79%

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In commodity markets, **Gold** prices rose by 1.21% over the week to \$4,191.15 per ounce, supported by weaker than expected US employment data, which reduced expectations of an October Federal Reserve interest rate hike. However, gains were limited by a stronger US dollar and elevated Treasury yields, which reached multi-decade highs following persistent inflation concerns and the Fed's September meeting minutes signaling further monetary tightening. Gold briefly fell to a two-month low during the week before recovering on Friday as oil prices and bond yields retreated. Meanwhile, escalating tensions in the Middle East, particularly Iranian attacks on tankers in the Strait of Hormuz, provided additional safe-haven support.

Silver edged up by 0.05% over the week to \$60.39 per ounce, recording a marginal gain amid volatile trading. Prices initially benefited from softer US labor market data and reduced expectations of an immediate Fed rate hike. However, a stronger dollar, elevated Treasury yields, and renewed expectations of a December interest rate increase weighed on the metal, pushing it to a two-month low near \$59 per ounce. Silver subsequently recovered on Friday as declining oil prices and easing bond yields reduced inflationary pressures, helping offset earlier losses.

Oil markets experienced a volatile week, with **Brent Crude** rising by 0.54% to \$102.80 per barrel, while **WTI** declined by 0.79% to \$90.39 per barrel. Early losses were driven by recovering Middle Eastern crude exports, Saudi Arabia's decision to lower selling prices for Asian buyers, and the G7's agreement to release 100 million barrels from emergency reserves. However, renewed Iranian attacks on tankers in the Strait of Hormuz and reports of potential US military strikes against Iran heightened supply concerns, supporting prices later in the

week. Additional upward pressure came from Hurricane Isaias, which disrupted offshore oil production in the Gulf of Mexico. Nevertheless, prices eased on Friday following President Trump's remarks about productive discussions with Iran and his decision to refrain from military strikes before the midterm elections. These developments contributed to Brent's modest weekly gain, while WTI finished slightly lower despite temporary support from US supply disruptions.

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