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Lebanese Forex Market

	28/08/2026	21/08/2026	% Change	YTD
Euro / LBP	104,214	104,527	-0.30%	-0.86%
Euro / Dollar	1.1644	1.1679	-0.30%	-0.86%
NEER Index	126.33	125.80	0.43%	-43.96%

*prices are as of the time of writing this report

The Nominal Effective Exchange Rate (NEER) of the Lebanese pound rose by 0.43% this week, reaching 126.33 points on August 28th, 2026, against a basket of 21 influential currencies – including the Euro and British pound.

International Forex Market

	28/08/2026	21/08/2026	% Change	Status
Dollars index = DXY	104.13	103.94	0.18%	Strengthened
Euro (EUR/USD)	1.1644	1.1679	-0.30%	Weakened
U.K. Pound (GBP/USD)	1.3584	1.3644	-0.44%	Weakened
Swiss Franc (USD/CHF)	0.8044	0.8012	0.40%	Weakened
Chinese Yuan (USD/CNY)	6.7204	6.7212	-0.01%	Strengthened
Japanese Yen (USD/JPY)	159.58	158.95	0.40%	Weakened
Australia \$ (AUD/USD)	0.7195	0.7171	0.33%	Strengthened
Canadian \$ (USD/CAD)	1.3856	1.376	0.70%	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 strengthened against a basket of six rivals – rose by 0.18% to 104.13 points despite initially facing pressure from concerns surrounding the

Treasury's expanded debt-buyback program and the broader US debt burden, which raised questions over fiscal sustainability. However, support strengthened as the week progressed. Safe-haven demand associated with tighter US sanctions on Iran provided some support, while stronger than expected Personal Consumption Expenditures (PCE) inflation became an important driver of the weekly appreciation. The inflation data reinforced expectations for a potential Federal Reserve rate increase before year-end, ultimately helping the dollar overcome earlier fiscal-related pressure and finish the week moderately stronger.

The **Euro** weakened by 0.30% over the week, with EUR/USD declining from 1.1679 to 1.1644. The currency remained relatively firm during parts of the week as expectations for a September European Central Bank rate hike provided support, reflecting continued concerns over inflation and energy related risks stemming from the Middle East conflict. However, the euro retreated toward the end of the week as investors reassessed the outlook for further ECB tightening, particularly as the decline in oil prices paused. At the same time, stronger US inflation data supported expectations of tighter Federal Reserve policy and strengthened the dollar, adding pressure to the euro and contributing to its overall weekly decline.

The **British Pound** weakened by 0.44% over the week, with GBP/USD falling from 1.3644 to 1.3584. Sterling began the week near six-month highs, supported by elevated UK inflation and expectations for Bank of England tightening. However, falling Brent crude prices eased inflation concerns and prompted markets to postpone expectations for the next BoE rate hike into 2027 from late 2026, reducing interest-rate support for the pound. Although UK inflation reached 2.9% in July and is expected to rise further toward year-end, subdued labor-market conditions and diminishing expectations for near-term monetary tightening ultimately contributed to sterling's weekly depreciation.

The **Japanese Yen** weakened by 0.40% over the week, with USD/JPY rising from 158.95 to 159.58. Despite periods of support from expectations of a Bank of Japan rate hike in September and declining oil prices midweek, the yen remained under

pressure from Japan's wide interest rate gap with other major economies, which continued to encourage investors to seek higher returns overseas. Fiscal concerns and elevated energy prices linked to the Middle East conflict also weighed on the currency. Expectations for BOJ tightening, reinforced by accelerating inflation and a stronger labor market, helped limit the yen's losses but were insufficient to reverse its overall weekly depreciation.

The **Chinese Yuan** strengthened marginally by 0.01% over the week, with USD/CNY declining from 6.7212 to 6.7204, indicating an essentially stable weekly performance. The yuan faced downward pressure during the week from weaker domestic economic conditions, including slowing industrial profit growth and disappointing industrial output, retail sales, and fixed-asset investment figures. The PBOC's weaker than expected fixing also reflected efforts to temper the currency's recent appreciation. In addition, concerns over potential US tariffs and sanctions targeting Chinese financial institutions created external pressure. Nevertheless, these factors were not sufficient to produce an overall weekly depreciation, with the yuan ultimately recording a slight gain.

MENA Forex Market

	28/08/2026	21/08/2026	% Change	Status
Egyptian Pound (USD/EGP)	50.2290	50.8510	-1.22%	Strengthened
Turkish Lira (USD/TRY)	48.2456	48.034	0.44%	Weakened
Syrian Pound (USD/SYP)	121.52	121.55	-0.02%	Strengthened
Iranian Rial (USD/IRR)	1,374,100	1,374,050	0.00%	Weakened
Kuwaiti Dinar (USD/KWD)	0.3068	0.3067	0.03%	Weakened
Moroccan Dirham (USD/MAD)	9.2497	9.2307	0.21%	Weakened
Tunisian Dinar (USD/TND)	2.9047	2.8964	0.29%	Weakened
Algerian Dinar (USD/DZD)	132.8506	132.8983	-0.04%	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.

Notably, The **MENA** forex market showed mixed performance over the week, with the **Egyptian Pound** emerging as the strongest performer. The EGP appreciated by 1.22% against the US dollar, supported by improved foreign currency availability and stronger external buffers. Record remittance inflows, robust tourism receipts, and a gradual recovery in Suez Canal revenues provided additional support to Egypt's foreign exchange position. Meanwhile, the **Turkish Lira** was the region's weakest performer, depreciating by 0.44% against the US dollar, while movements among the remaining regional currencies were relatively limited.

Commodities

	28/08/2026	21/08/2026	% Change
Gold	4,603.73	4,603.07	0.01%
Silver	70.43	68.99	2.07%
Brent Crude Oil	89.29	94.39	-5.40%
WTI Crude Oil	83.24	87.06	-4.39%

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In commodity markets, **Gold** remained broadly stable over the week, edging up by 0.01% to \$4,603.73 per ounce. Prices were supported by concerns over US debt management and the Treasury's expanded buyback program, which pressured the dollar and reinforced gold's appeal as an alternative store of value. Stronger investment demand, including higher Chinese gold imports, also provided support. However, gains were almost entirely offset by higher than expected US inflation and firm economic data, which strengthened expectations that interest rates could remain elevated or rise later this year.

Silver rose by 2.07% over the week to \$70.43 per ounce, outperforming gold. The metal benefited from concerns over US fiscal sustainability and potential dollar weakness following the Treasury's expanded debt buybacks. Silver also remained supported by solid industrial demand linked to solar panels, electric vehicles, the green energy transition and AI data-center infrastructure. Nevertheless, stronger US inflation data and expectations of tighter Federal Reserve policy limited further gains toward the end of the week.

Oil prices declined notably over the week, with **Brent** falling 5.40% to \$89.29 per barrel and **WTI** dropping 4.39% to \$83.24. The decline was mainly driven by easing concerns over Middle Eastern supply disruptions as diplomatic efforts involving Iran and Oman raised hopes of improved shipping conditions through the Strait of Hormuz. Oil was also pressured by US measures against Iran proving less aggressive than initially feared, while crude flows through Hormuz continued to recover. However, losses were partly contained by escalating Russia-Ukraine tensions and Ukrainian strikes on Russian refineries and ports, which raised renewed concerns over Russian energy exports.

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