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Lebanese Forex Market

	14/08/2026	07/08/2026	% Change	YTD
Euro / LBP	103,390	103,444	-0.05%	-1.64%
Euro / Dollar	1.16	1.16	-0.07%	-1.65%
NEER Index	125.69	125.30	0.31%	-44.24%

*prices are as of the time of writing this report

The Nominal Effective Exchange Rate (NEER) of the Lebanese pound rose by 0.31% this week, reaching 125.69 points on August 14th, 2026, against a basket of 21 influential currencies – including the Euro and British pound.

International Forex Market

	14/08/2026	07/08/2026	% Change	Status
Dollars index = DXY	105.12	104.45	0.64%	Strengthened
Euro (EUR/USD)	1.1551	1.1559	-0.07%	Weakened
U.K. Pound (GBP/USD)	1.1552	1.1559	-0.06%	Weakened
Swiss Franc (USD/CHF)	0.8137	0.8079	0.72%	Weakened
Chinese Yuan (USD/CNY)	6.7419	6.7454	-0.05%	Strengthened
Japanese Yen (USD/JPY)	159.09	157.76	0.84%	Weakened
Australia \$ (AUD/USD)	0.7073	0.7067	0.08%	Strengthened
Canadian \$ (USD/CAD)	1.3891	1.3939	-0.34%	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 by 0.64% to 105.12 points despite considerable fluctuations in Federal Reserve expectations.

Early in the week, the dollar was pressured by weaker than expected employment data, including a 23,000 decline in July nonfarm payrolls, which reduced expectations for a September rate hike. It subsequently found some support as investors reassessed the Fed outlook amid concerns over elevated energy prices and inflation. However, softer CPI and producer price data later reduced the probability of a September rate hike, with markets pricing the likelihood at around 35% by Friday, down from 55% a week earlier.

The **Euro** weakened marginally by 0.07% over the week, with EUR/USD slipping from 1.1559 to 1.1551. The decline was limited by relatively supportive Euro Area fundamentals, including improved economic resilience and 0.4% growth in the second quarter, the strongest pace since early 2025. Inflation also remained elevated, with Eurozone inflation reaching 2.9% in July and one year market based inflation expectations standing around 2.4%, supporting expectations for another 25 basis point ECB rate hike in September. Nevertheless, these supportive factors were not enough to generate a weekly appreciation, particularly as the US dollar ultimately strengthened over the period. Uncertainty surrounding US-Iran negotiations, the Strait of Hormuz and higher oil prices also contributed to fluctuations by keeping inflation risks in focus.

The **British Pound** weakened slightly by 0.06% over the week, despite remaining relatively firm during parts of the period. Sterling received support from resilient domestic economic data, as the UK economy expanded 0.4% quarter on quarter in Q2, while monthly GDP grew a stronger than expected 0.3% in June. Labor market indicators also showed some improvement, with permanent hiring stabilizing and temporary vacancies increasing for the first time in two years. However, household consumption growth slowed to 0.2%, highlighting continued pressure on consumers, while the Bank of England kept interest rates unchanged in July as disinflation remained on track. Persistent geopolitical uncertainty surrounding the Middle East and disruptions in the Strait of Hormuz also weighed on sentiment. Combined with the US dollar's overall weekly strengthening, these factors left sterling marginally weaker by the end of the period.

The **Japanese Yen** weakened by 0.84% over the week, with USD/JPY rising from 157.76 to 159.09. The depreciation largely reflected the fading impact of the record joint intervention by Tokyo and Washington in late July and early August, as the absence of additional intervention encouraged renewed speculative pressure on the currency. The yen also remained weighed down by wide interest rate differentials, mounting fiscal concerns, and elevated energy and import costs, while Japan's current account surplus narrowed as higher crude oil purchases pushed up imports.

The **Chinese Yuan** strengthened slightly by 0.05% over the week, with USD/CNY declining from 6.7454 to 6.7419. The modest appreciation was supported in part by weakness in the US dollar during portions of the week, as softer US inflation data reduced expectations of an imminent Federal Reserve rate hike. However, the yuan's gains remained limited by signs of persistent weakness in Chinese domestic demand, with annual consumer inflation slowing to a six month low of 0.5% in July and producer price inflation moderating to 3.5% from 4.1%. The currency also faced pressure later in the week from a weaker than expected daily fixing by the People's Bank of China. Overall, the small weekly gain reflected a balance between external support from softer US monetary-policy expectations and continued domestic economic and policy pressures.

MENA Forex Market

	14/08/2026	07/08/2026	% Change	Status
Egyptian Pound (USD/EGP)	50.2772	49.79	0.98%	Weakened
Turkish Lira (USD/TRY)	47.8855	47.6998	0.39%	Weakened
Syrian Pound (USD/SYP)	121.52	121.55	-0.02%	Strengthened
Iranian Rial (USD/IRR)	42,000	42,000	0.00%	Strengthened
Kuwaiti Dinar (USD/KYD)	0.8275	0.8275	0.00%	Strengthened
Moroccan Dirham (USD/MAD)	9.2968	9.2977	-0.01%	Strengthened
Tunisian Dinar (USD/TND)	2.9087	2.8994	0.32%	Weakened
Algerian Dinar (USD/DZD)	132.6539	132.6597	0.00%	Strengthened

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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 foreign exchange market remained broadly stable during the week, with most currencies recording only marginal changes or remaining unchanged. The **Egyptian Pound** recorded the largest movement, weakening by around 0.98% against the US dollar, as USD/EGP increased from 49.79 to 50.3. The movement came within Egypt's flexible exchange rate framework, which allows the pound to respond to prevailing market and external conditions, with the IMF continuing to emphasize exchange rate flexibility as an important element of the country's economic adjustment program.

Commodities

	14/08/2026	07/08/2026	% Change
Gold	4,344.34	4,341.56	0.06%
Silver	64.69	63.56	1.77%
Brent Crude Oil	87.88	83.55	5.18%
WTI Crude Oil	82.37	78.18	5.36%

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In commodity markets, **Gold** edged up by 0.06% over the week, from \$4,341.56 to \$4,344.34 per ounce, reflecting a relatively stable performance despite notable intraweek fluctuations. Prices were supported by weaker US labor data and softer inflation readings, which reduced expectations for a near term Federal Reserve rate hike. Gold also benefited from continued investment demand and central bank purchases, particularly from China. However, gains were largely contained by profit taking toward the end of the week and uncertainty surrounding the Strait of Hormuz, which kept investors attentive to the potential inflationary impact of elevated energy prices.

Silver recorded a stronger weekly gain of 1.77%, rising from \$63.56 to \$64.69 per ounce. The metal was supported by reduced expectations of tighter US monetary policy following weaker labor market data and softer inflation readings, briefly reaching an eight week high during the week. Silver also benefited from robust industrial demand, particularly from solar panel manufacturing and electricity grid investment, alongside a 62.5% year on year increase in Chinese imports of silver bearing ores in June. Nevertheless, profit taking and concerns over the inflationary impact of elevated oil prices limited further gains toward the end of the week.

Oil posted the strongest gains among the commodities covered, with **Brent** rising 5.18% to \$87.88 per barrel and **WTI** increasing 5.36% to \$82.37. The weekly advance was mainly driven by persistent uncertainty surrounding the Strait of Hormuz, as conflicting signals from the US and Iran raised concerns over prolonged supply disruptions and supported a geopolitical risk premium. However, prices retreated from their intraweek highs as weakening demand prospects and rising US inventories weighed on the market.

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