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Contact Information

Jana Boumatar

jana.boumatar@blom.com.lb

Lebanese Forex Market

	10/16/2026	10/9/2026	% Change	YTD
Euro / LBP	100,625	100,249	0.37%	-4.27%
Euro / Dollar	1.1243	1.1200	0.38%	-4.27%
NEER Index	128.87	128.63	0.19%	-42.83%

*prices are as of the time of writing this report

The Nominal Effective Exchange Rate (NEER) of the Lebanese pound rose by 0.19% this week, reaching 128.87 points on October 16th, 2026, against a basket of 21 influential currencies – including the Euro and British pound.

International Forex Market

	10/16/2026	10/9/2026	% Change	Status
Dollars index = DXY	101.78	102.21	-0.42%	Weakened
Euro (EUR/USD)	1.1243	1.12	0.38%	Strengthened
U.K. Pound (GBP/USD)	1.3321	1.3234	0.66%	Strengthened
Swiss Franc (USD/CHF)	0.8247	0.8301	-0.65%	Strengthened
Chinese Yuan (USD/CNY)	6.6867	6.6927	-0.09%	Strengthened
Japanese Yen (USD/JPY)	157.96	158.31	-0.22%	Strengthened
Australia \$ (AUD/USD)	0.6955	0.6983	-0.40%	Weakened
Canadian \$ (USD/CAD)	1.4166	1.4257	-0.64%	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 weakened against a basket of six rivals – fell by 0.42% to 101.78 points, as declining Treasury yields and uncertainty surrounding the

Federal Reserve's monetary policy outlook weighed on the currency. The index initially climbed to 102.88 on Wednesday after September's annual inflation accelerated to 3.7%, exceeding market expectations and reinforcing prospects of further interest rate increases. Escalating Middle East tensions also initially supported the dollar's safe-haven appeal. However, the greenback subsequently retreated as several Fed officials signaled a cautious approach to additional tightening, reducing expectations of an immediate rate hike. Meanwhile, a selloff in technology and artificial intelligence stocks, alongside concerns over the sustainability of AI-related investment, further pressured the dollar despite continued expectations of a potential rate increase in December.

The **Euro** strengthened by 0.38% over the week to \$1.1243, recovering from earlier losses as the US dollar weakened following cautious remarks from Federal Reserve officials. The currency initially declined to around \$1.11, its weakest level since May 2025, after stronger than expected US inflation reinforced expectations of further monetary tightening. However, falling US Treasury yields and reduced expectations of an immediate Fed rate hike supported the euro's subsequent recovery. Nevertheless, persistent energy driven inflation and political uncertainty in France, particularly regarding its 2027 budget and efforts to reduce the fiscal deficit, has continued to weigh on sentiment. Meanwhile, expectations of another European Central Bank rate hike in December provided some support, although President Christine Lagarde maintained a cautious approach as higher energy costs had yet to generate broader inflationary pressures.

The **British Pound** strengthened by 0.66% over the week to \$1.3321, supported by stronger than expected UK economic growth and renewed expectations of monetary tightening by the Bank of England. Sterling initially faced pressure from rising energy prices, persistent inflation concerns and a stronger US dollar. However, the currency recovered after data showed that the UK economy expanded by 0.1% in August, defying expectations of a contraction, while output increased by 0.7% over the three months to August. These figures reinforced expectations of a BoE interest rate hike in November, particularly as the energy shock linked to the Iran war continued to raise inflation concerns. Additionally,

the broader weakening of the US dollar supported sterling's appreciation, although uncertainty surrounding the pace of future rate increases and the UK's fiscal position ahead of the October 28 budget remained potential constraints.

The **Japanese Yen** strengthened by 0.22% over the week to 157.96 per dollar, supported by expectations of further monetary tightening by the Bank of Japan and renewed warnings of potential currency intervention. The yen experienced fluctuations during the week, initially gaining following September's producer inflation data, which showed persistent price pressures despite coming in below expectations. However, the currency temporarily weakened as reports suggested the BoJ was reluctant to implement consecutive interest rate hikes in October, while rising oil prices added pressure. Nevertheless, the yen recovered after Finance Minister Satsuki Katayama warned that authorities were prepared to intervene if necessary, while expectations of a possible rate hike in December provided additional support.

The **Chinese Yuan** strengthened slightly by 0.09% over the week to 6.6867 per dollar, remaining near its strongest level since July 2022. The currency benefited from resilient external demand, with China's trade surplus widening to \$133.53 billion in September 2026 as exports surged by 36.3% year-on-year. Additionally, the People's Bank of China's supportive exchange rate guidance and Beijing's efforts to expand yuan-denominated financing and strengthen the currency's international role reinforced its stability. However, persistent trade tensions with the European Union and concerns over the adequacy of China's economic stimulus measures limited further appreciation.

MENA Forex Market

	10/16/2026	10/9/2026	% Change	Status
Egyptian Pound (USD/EGP)	53.4700	52.3900	2.06%	Weakened
Turkish Lira (USD/TRY)	49.5274	49.3088	0.44%	Weakened
Syrian Pound (USD/SYP)	121.5	121.52	-0.02%	Strengthened
Iranian Rial (USD/IRR)	1,779,800	1,779,500	0.02%	Weakened
Kuwaiti Dinar (USD/KWD)	0.3081	0.3081	0.00%	Unchanged
Moroccan Dirham (USD/MAD)	9.7145	9.7551	-0.42%	Strengthened
Tunisian Dinar (USD/TND)	2.9974	3.0046	-0.24%	Strengthened
Algerian Dinar (USD/DZD)	134.4803	134.4754	0.00%	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** forex market recorded mixed performances over the week, reflecting divergent currency trends across the region despite the broader weakening of the US dollar. The **Egyptian Pound** registered the sharpest depreciation, weakening by 2.06% to 53.4700 per dollar, suggesting that country-specific foreign exchange pressures outweighed the potential support from a softer greenback. Similarly, the **Turkish Lira** declined by 0.44% to 49.5274 per dollar, while the **Iranian Rial** edged down by 0.02% amid continued regional geopolitical uncertainty. Conversely, the **Moroccan Dirham** and **Tunisian Dinar** strengthened by 0.42% and 0.24%, respectively, potentially benefiting from the dollar's weekly decline. Meanwhile, the **Syrian Pound** appreciated marginally by 0.02%, while the **Kuwaiti** and **Algerian Dinars** remained broadly stable. Overall, the contrasting movements highlighted uneven currency performance across MENA markets, with Egypt's pronounced depreciation standing out as the most significant development of the week.

Commodities

	10/16/2026	10/9/2026	% Change
Gold	4,183.73	4,194.24	-0.25%
Silver	57.75	60.82	-5.05%
Brent Crude Oil	105.18	104.72	0.44%
WTI Crude Oil	97.04	91.85	5.65%

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In commodity markets, **Gold** prices fluctuated throughout the week, trading above \$4,150 per ounce on Friday after recovering from a two-month low below \$4,100 on Wednesday. The metal initially faced pressure from a stronger US dollar and rising expectations of further Federal Reserve interest rate hikes. These concerns intensified after US annual inflation reached 3.7% in September, exceeding market expectations of 3.6% and reinforcing the prospect of tighter monetary policy. However, gold rebounded toward the end of the week as global equity sell-off drove investors toward safe-haven assets, while declining Treasury yields and a weaker dollar provided additional support. Escalating geopolitical tensions in the Middle East, particularly attacks on shipping in the Strait of Hormuz and hostilities between Saudi Arabia and Iran-backed Houthis, further supported demand for the precious metal.

Silver experienced a volatile week, falling from around \$61 per ounce on Monday to below \$58 on Wednesday before recovering to above \$57 on Friday. The decline was largely driven by a stronger US dollar and growing expectations of further Federal Reserve monetary tightening following higher than expected US inflation figures. Persistent inflationary pressures increased concerns that interest rates could remain elevated for longer, weighing on non-yielding metals. Nevertheless, silver recovered on Thursday, gaining nearly 2%, as a global equity sell off encouraged safe-haven demand. Lower bond yields, a softer dollar, and heightened geopolitical uncertainty in the Middle East and Ukraine provided additional support toward the end of the week.

Oil prices remained volatile but were on track to record weekly gains, with **Brent** trading above \$105 per barrel on Friday, while **WTI** exceeded \$97 per barrel and was poised to gain more than 6% over the week. Prices were primarily supported

by escalating supply concerns in the Middle East, particularly continued Houthi attacks on Saudi Arabian energy infrastructure and disruptions to commercial shipping in the Strait of Hormuz, where a Singapore flagged container ship was sunk by an Iranian projectile. These developments pushed tanker rates to record highs and heightened uncertainty surrounding regional oil exports. Additional support came from an 8.6 million barrel decline in US crude inventories, the largest since February. However, gains were occasionally limited by prospects of additional Russian diesel supplies; the International Energy Agency's planned release of 100 million barrels from emergency reserves, and concerns over weakening global oil demand. Meanwhile, WTI was positioned to outperform Brent, supported by lower shipping costs for US crude, which strengthened demand for American barrels.

For your Queries:

BLOM BANK s.a.l.

Research Department

Zeituna Bey

POBOX 11-1540 Riad El Soloh

Beirut 1107 2080 Lebanon

Jana Boumatar

jana.boumatar@blom.com.lb

Research Department

Tel: +961 1 991 784

research@blom.com.lb

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