Global Currency and Commodity Markets Under Pressure amid Hawkish Fed Outlook and Middle East Tensions

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Lebanese Forex Market

	11/13/2026	11/6/2026	% Change	YTD
Euro / LBP	98,924	99,730	-0.81%	-5.89%
Euro / Dollar	1.1056	1.1143	-0.78%	-5.87%
NEER Index	130.36	129.86	0.39%	-42.17%

*prices are as of the time of writing this report

The Nominal Effective Exchange Rate (NEER) of the Lebanese pound rose by 0.39% this week, reaching 130.36 points on November 13th, 2026, against a basket of 21 influential currencies – including the Euro and British pound.

International Forex Market

	11/13/2026	11/6/2026	% Change	Status
Dollars index = DXY	112.16	112.02	0.12%	Strengthened
Euro (EUR/USD)	1.1056	1.1143	-0.78%	Weakened
U.K. Pound (GBP/USD)	1.3232	1.3352	-0.90%	Weakened
Swiss Franc (USD/CHF)	0.8372	0.8205	2.04%	Weakened
Chinese Yuan (USD/CNY)	6.6702	6.6744	-0.06%	Strengthened
Japanese Yen (USD/JPY)	159.90	158.48	0.90%	Weakened
Australia $ (AUD/USD)	0.6795	0.6867	-1.05%	Weakened
Canadian $ (USD/CAD)	1.4262	1.4128	0.95%	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 slightly by 0.12% to 112.16 points, supported by stronger than expected US inflation data

and growing expectations of further Federal Reserve monetary tightening. October consumer prices increased 0.4% month-on-month, exceeding forecasts of 0.3%, while core inflation rose 0.3%, above expectations of 0.2%. These figures, alongside hawkish remarks from Federal Reserve officials, reinforced expectations of additional interest rate hikes, with markets pricing in approximately an 85% probability of a 25 basis point increase in December and a 15% possibility of a larger 50 basis point hike. Additionally, renewed geopolitical tensions surrounding Iran and recovering oil prices supported safe-haven demand for the greenback, contributing to its appreciation against major currencies.

The **Euro** weakened by 0.78% over the week, reaching $1.1056, pressured by a stronger US dollar and persistent political and economic uncertainty within the Euro Area. Despite briefly recovering earlier in the week as declining oil prices eased geopolitical concerns, the currency subsequently depreciated following higher than expected US inflation and growing expectations of further Federal Reserve interest rate hikes. Meanwhile, ongoing political and fiscal challenges in France, concerns over weakening economic growth, and uncertainty surrounding the potential early departure of ECB President Christine Lagarde further weighed on investor sentiment. Although ECB Chief Economist Philip Lane signaled that another interest rate increase in December could be warranted, expectations of additional European monetary tightening were insufficient to counter the dollar's strength.

The **British Pound** weakened by 0.90% over the week, reaching $1.3232, as growing expectations of further Federal Reserve interest rate hikes strengthened the US dollar. Sterling initially recovered as declining oil prices and easing geopolitical tensions supported market sentiment, but these gains were reversed following stronger than expected US inflation data and increasingly hawkish Fed commentary. Nevertheless, expectations of further Bank of England monetary tightening helped limit the currency's losses, supported by persistent wage pressures and inflationary concerns. Additionally, UK economic data showed that GDP expanded by 0.7% in the third quarter, compared with 0.5% in the previous quarter, while annual growth accelerated to 1.9%. Despite these positive domestic

developments, continued dollar strength outweighed support from the UK's economic resilience and monetary policy outlook.

The **Japanese Yen** weakened by 0.90% over the week, reaching 159.90 per dollar and approaching its lowest level in more than two months. Despite briefly strengthening earlier in the week following hawkish signals from the Bank of Japan (BOJ), the yen faced sustained pressure from a stronger US dollar, supported by higher than expected US inflation and growing expectations of further Federal Reserve interest rate hikes. Domestically, Japan's producer prices rose 7.1% year-on-year in October, reinforcing expectations of a BOJ rate hike in December and continued monetary tightening next year. However, these developments failed to offset dollar strength, while the yen's depreciation prompted Japanese authorities to issue fresh warnings of potential currency market intervention.

The **Chinese Yuan** strengthened slightly by 0.06% over the week, reaching 6.6702 per dollar, supported by robust trade performance and relatively stable market conditions. Chinese exports surged 35.2% year-on-year to $412.33 billion in October, driven by sustained global demand for AI-related technology products, while imports increased 41.6% to $307.05 billion. Consequently, China's cumulative trade surplus reached $1.043 trillion during the first ten months of 2026, providing support for the currency. Meanwhile, the People's Bank of China maintained its accommodative monetary policy stance, emphasizing ample liquidity and targeted financial support for domestic consumption, technological innovation, and infrastructures, helping the yuan remain resilient despite broader US dollar strength.

MENA Forex Market

	11/13/2026	11/6/2026	% Change	Status
Egyptian Pound (USD/EGP)	53.4400	53.9200	-0.89%	Strengthened
Turkish Lira (USD/TRY)	50.3675	50.1497	0.43%	Weakened
Syrian Pound (USD/SYP)	121.52	121.5	0.02%	Weakened
Iranian Rial (USD/IRR)	1,913,000	1,890,456	1.19%	Weakened
Kuwaiti Dinar (USD/KWD)	0.30855	0.3078	0.24%	Weakened
Moroccan Dirham (USD/MAD)	9.8939	9.7558	1.42%	Weakened
Tunisian Dinar (USD/TND)	3.0293	3.0136	0.52%	Weakened
Algerian Dinar (USD/DZD)	136.6158	136.2219	0.29%	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** foreign exchange market showed a predominantly weakening trend during the week ending November 13, 2026, with most regional currencies depreciating against the US dollar. The **Moroccan Dirham** recorded the largest decline, weakening by 1.42%, followed by the **Iranian Rial** at 1.19%, the **Tunisian Dinar** at 0.52%, and the Turkish lira at 0.43%. Meanwhile, the **Algerian Dinar** and **Kuwaiti Dinar** depreciated by 0.29% and 0.24%, respectively, while the **Syrian Pound** remained relatively stable, slipping by just 0.02%. In contrast, the **Egyptian Pound** was the only currency to strengthen, appreciating by 0.89%, supported by renewed foreign portfolio investment inflows, particularly into Egyptian government debt, alongside improving foreign exchange liquidity and stronger remittance inflows. Overall, the broad depreciation of regional currencies coincided with renewed US dollar strength, driven by higher than expected US inflation and growing expectations of further Federal Reserve interest rate hikes, while Egypt's improved foreign currency inflows helped its currency outperform regional counterparts.

Commodities

	11/13/2026	11/6/2026	% Change
Gold	3,896.96	4,070.80	-4.27%
Silver	49.94	51.92	-3.82%
Brent Crude Oil	95.93	98.32	-2.43%
WTI Crude Oil	88.55	90.83	-2.51%

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In commodity markets, **Gold** prices fell by 4.27% over the week to $3,896.96 per ounce, weighed down by a stronger US dollar, elevated Treasury yields, and expectations of further Federal Reserve interest rate hikes. Prices initially advanced as declining oil prices eased inflation concerns amid hopes of de-escalation in the Middle East. However, stronger than expected US inflation figures and hawkish Fed comments reinforced expectations of tighter monetary policy, increasing the opportunity cost of holding non-yielding gold. Renewed oil price gains following President Donald Trump's remarks that the US no longer needs a deal with Iran further fueled inflation concerns, adding downward pressure on bullion.

Silver prices declined by 3.82% over the week to $49.94 per ounce, pressured by a stronger US dollar, rising Treasury yields, and growing expectations of further Federal Reserve monetary tightening. Prices initially gained as falling oil prices eased inflation concerns amid optimism over a potential resolution to the US-Iran conflict. However, hotter than expected US inflation data, with October consumer prices rising 0.4% month-on-month against forecasts of 0.3%, reversed these gains. Hawkish Fed comments further weighed on silver, with markets pricing in an 85% probability of a 25 basis point rate hike in December and a 15% chance of a larger 50 basis point increase.

Brent crude oil and **WTI** declined by 2.43% and 2.51% over the week to $95.93 and $88.55 per barrel, respectively, as recovering Middle Eastern oil supplies and optimism over a potential diplomatic resolution to the US-Iran conflict weighed on prices. Saudi Arabia reported a 26% increase in October production, while Iraq also raised output, easing supply concerns despite ongoing disruptions in the Strait

of Hormuz. However, prices recovered partially later in the week after President Donald Trump stated that the US no longer needs a deal with Iran, weakening hopes for a diplomatic breakthrough. Iran's refusal to remove enriched nuclear material and its demands for sanctions relief further heightened geopolitical uncertainty. Nevertheless, rising US crude inventories and recovering regional exports continued to limit gains.

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