



Weekly overview of short news

- The price of gold fell from \$3,405.04 to \$3,336.19 per ounce in this reporting week. The highest drop in the price of gold occurred at the very beginning of this week and was caused by the U.S. President comments, who said that the import of gold bullion will not be subject to the U.S. tariffs.
- The price of oil at the weekly level remained almost unchanged throughout the week. The oil price was \$67.17 per barrel at the beginning of the week, amounting to \$67.22 per barrel at end-week.
- The Central Bank of Australia cut the interest rate by 25bp to 3.60% at its regular meeting this week.
- The U.S. President extended the pause in the implementation of tariffs on Chinese goods for an additional 90 days, until the beginning of November, therefore stabilizing trade relations between the world's two largest economies. Trump signed an executive order extending the tariff moratorium until 10 November, delaying a tariff increase that had been scheduled for Tuesday.

FX NEWS

EUR/USD



The EUR/USD exchange rate fell at the very beginning of this reporting week as investors prepared for the release of key U.S. inflation data. Following the release of inflation data, the exchange rate depreciated sharply the next day. Namely, consumer prices rose by 0.2% on a monthly basis in July, while the annual inflation rate remained stable at 2.7%. Such data increased expectations that the Fed could cut interest rates in September. The exchange rate continued to rise in the mid-week as investors further increased expectations that the Fed will cut rates by at least a quarter of a percentage point in September, and once the U.S. Treasury Secretary called for a rate cut at the next meeting. "I think we could go into a series of rate cuts, starting with a 50-basis point cut in September," Bessent told Bloomberg. The release of positive U.S. economic data (initial jobless claims) on Thursday caused the dollar to strengthen against the euro, and the release of negative data on retail sales and consumer confidence on Friday weakened the dollar against the euro again.

EUR/GBP



The EUR/GBP exchange rate depreciated throughout this reporting week. This decline was caused by growing expectations that the Bank of England, due to inflationary pressures, will delay cutting interest rates until November. In addition, the fact that Great

Britain's GDP grew by 0.3% in Q2 2025, while it was expected to be 0.1%, influenced the exchange rate to weaken. The exchange rate rose on the last day of the week and recovered part of the fall that occurred this week.

EUR/JPY



The EUR/JPY exchange rate had a slight upward trend during the first half of the week. The yen is under pressure amid political uncertainty in Japan following the historic defeat of the ruling Liberal Democratic Party in July's upper house election. This uncertainty, including Prime Minister Ishiba's resistance to calls for an early leadership vote, weakened the yen and blurred the outlook for government spending and an interest rate increase by the Bank of Japan. The exchange rate fell sharply in the first half of the day on Thursday as the U.S. Treasury Secretary said the Bank of Japan was lagging behind in suppressing inflation, raising expectations that the Bank of Japan could raise interest rates. However, the exchange rate recovered part of the losses on the same day in the afternoon. It rose on Friday as Japan's GDP grew by 1% in Q2 2025, which exceeded forecasts and increased speculation that the Bank of Japan could raise interest rates in the upcoming period.

Table 1 - Exchange rates of the most important currencies

	11-Aug-2025 ¹	15-Aug-2025 ²	% Change
EUR/USD	1.1641	1.1703	0.53
EUR/GBP	0.86565	0.86362	-0.23
EUR/JPY	172.03	172.18	0.09
EUR/AUD	1.78516	1.79800	0.72
EUR/CHF	0.94104	0.94384	0.30
USD/JPY	147.74	147.19	-0.37
GBP/USD	1.3452	1.3554	0.76

Table 2 - Overview of the leading central banks' interest rates

Central Bank	Reference interest rate	Reference interest rate level	Next meeting
European Central Bank (ECB)	ECB main refinancing rate	2.15%	11-Sep-2025
Federal Reserves (Fed)	Federal Funds Target Rate	4.50%	17-Sep-2025
Bank of Japan (BoJ)	Overnight Call Rate	0.50%	19-Sep-2025
Bank of England (BoE)	Official Bank Rate	4.00%	6-Nov-2025
Swiss National Bank (SNB)	Libor Target Rate	0.00%	25-Sep-2025
Bank of Canada (BoC)	Target Overnight Rate	2.75%	17-Sep-2025
Reserve Bank of Australia (RBA)	Cash Rate Target	3.85%	30-Sep-2025

Table 3 – ESTR and Euribor

	11-Aug-2025 ¹	15-Aug-2025. ²	Change in basis points
ESTR	1.922	1.924	0.2
Euribor 1W	1.884	1.882	-0.2
Euribor 1M	1.900	2.206	30.6
Euribor 3M	2.019	2.111	9.2
Euribor 6M	2.083	2.083	0.0
Euribor 12M	2.121	2.092	-2.9

¹Opening market value on Monday

² Closing market value on Friday

Table 4 - Economic Indicators (11 - 15 August 2025)

Country	Indicator	Period	Expected value	Current value	Previous value
France	Consumer price index (CPI) Estimates changes in the cost of living by measuring changes in the prices of certain items for which the consumers allocate their money.	July MoM% YoY%	0.2% 1.0%	0.2% 1.0%	0.2% 1.0%
Euro area	Gross domestic product (GDP) It measures the value of products and services produced inside the country. GDP is the most comprehensive measure of economic output and provides a key insight into an economy's main drivers. Industrial production It measures the changes in output of production, service and mining sectors.	Q2 QoQ% YoY% June MoM% YoY%	0.1% 1.4% -1.0% 1.4%	0.1% 1.4% -1.3% 0.2%	0.1% 1.4% 1.3% 3.7%
Germany	Consumer price index (CPI) Estimates changes in the cost of living by measuring changes in the prices of certain items for which the consumers allocate their money.	July MoM% YoY%	0.3% 2.0%	0.3% 2.0%	0.3% 2.0%
Great Britain	Gross domestic product (GDP) It measures the value of products and services produced inside the country. GDP is the most comprehensive measure of economic output and provides a key insight into an economy's main drivers. Exports Products and services made in Great Britain, sold or awaiting sale abroad. Imports Demand for foreign products. The value of exports and imports is an important input in the calculations of the trade balance, current account and GDP. Industrial production It measures the changes in output of production, service and mining sectors.	June QoQ% YoY% Q2 Preliminary data QoQ% Q2 Preliminary data QoQ% June MoM% YoY%	0.1% 1.0% 0.1% 0.5% 0.3% -0.2%	0.3% 1.2% 1.6% 1.4% 0.7% 0.2%	0.7% 1.3% 3.3% 2.0% -0.9% -0.3%
Japan	Producer Price Index (PPI) The index measures the average price change domestic producers receive for their production.	July MoM% YoY%	0.2% 2.5%	0.2% 2.6%	-0.2% 2.9%
USA	New Initial Jobless Claims It measures the number of people filing for unemployment benefits for the first time. Consumer price index (CPI) Estimates changes in the cost of living by measuring changes in the prices of certain items for which the consumers allocate their money. Retail Sales This indicator measures the volume of sales of goods for personal and household spending.	9 August k=thousand July MoM% YoY% July MoM%	225K 0.2% 2.8% 0.6%	224K 0.2% 2.7% 0.5%	226K 0.3% 2.7% 0.6%

EUROPEAN GOVERNMENT BONDS MARKET



The yield on 10-year German government bonds rose slightly from 2.68% to 2.78% in this reporting week. The yield rose during the first two days of the week, incited by investors' renewed focus on expectations of a sharp increase in fiscal spending. Germany is ready to significantly increase fiscal spending in order to revive economic growth and increase military investment, which has led to rising yields. The yield on these bonds fell in mid-week, following the decline in yields that occurred in the American market. During the last two days of the week, the yield on German bonds recorded a sharp increase, as investors were still uncertain about fiscal spending.

U.S. GOVERNMENT BONDS MARKET



The yield on 10-year U.S. government bonds rose from 4.28% to 4.31% this week. The yield on these bonds recorded a slight increase during the first two days of the week. A slightly larger drop in the trend of these yields occurred in mid-week. This decline was caused by increasing expectations that the Fed would cut interest rates. Namely, the U.S. Treasury Secretary said that the Fed could begin a series of interest rate cuts, starting with a 50bp cut in September. It was reported on Thursday that the U.S. producer prices recorded their highest increase in three years, prompting traders to lower expectations of an interest rate cut by the Fed, thus stimulating growth of yields. The yield on U.S. bonds rose on the last day of the week, incited by the rise in yields on the European market.

GOLD



The price of gold fell from \$3,405.04 to \$3,336.19 per ounce in this reporting week. The largest drop in the price of gold happened at the very beginning of the week. Such drop was caused by the U.S. President comment, who said that gold bullion imports would not be subject to the U.S. tariffs. The price of gold rose briefly on Wednesday due to rising expectations that the Fed will cut interest rates, and once the U.S. Treasury Secretary called on the Fed to reduce borrowing costs. However, the price of gold weakened the very next day, after better-than-expected data on producer prices in the U.S. reduced market expectations regarding the reduction of interest rates by the Fed. The slight drop in the price of gold continued on Friday.

OIL



The price of oil at the weekly level remained almost unchanged throughout the week. It amounted to \$67.17 in early week, reaching \$67.25 per barrel at end-week. Oil prices rose slightly in early week as investors awaited details from the upcoming meeting between the presidents of the U.S. and Russia. Oil prices fell the next day as the extension of a trade truce between the U.S. and China until November raised hopes that a trade embargo would be avoided. The price of oil weakened slightly in mid-week, only to achieve a sharp increase on Thursday. The price increase on Thursday was caused by the anticipation of the meeting between Trump and Putin in Alaska, but also due to the weakening of expectations regarding the reduction of the interest rate by the Fed in September. It fell slightly on Friday after the U.S.-Russia summit ended without any geopolitical escalation.

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