

## Weekly overview of short news

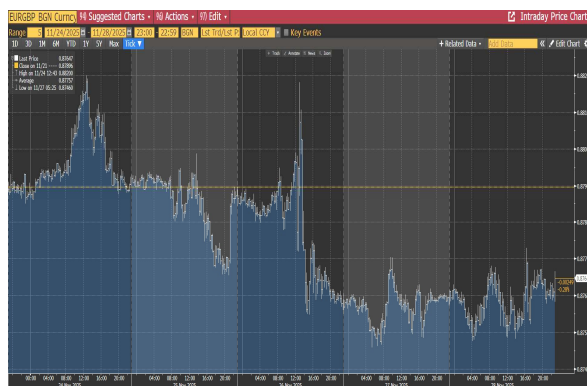
- The price of gold rose from \$4,068.19 to \$4,239.43 per ounce in this reporting week mainly due to expectations that the Fed could cut interest rates in December.
- The price of oil rose from \$61.90 to \$62.39 per barrel in this reporting week.
- The New York Fed President, John Williams, said that there is room for rate cuts in the near term.
- In France, the Prime Minister Sébastien Lecornu remained optimistic about the budget despite the National Assembly rejected his tax proposal. The law will be forwarded to the Senate, and Lecornu will focus on defence, energy and deficit reduction to lower the deficit below 5% of GDP.
- The November harmonized inflation in Germany was surprising, for being higher, reaching 2.6%, while expectations were 2.4%.
- Latvia has nominated the governor of its central bank, Martin Kazaks for the ECB Vice President, who will compete with the Governor of the Central Bank of Finland, Olli Rehn, and the Governor of Croatian National Bank, Boris Vujčić.

## EUR/USD



The EUR/USD exchange rate was relatively stable at the beginning of the week, only to record sharp growth already on Tuesday. The exchange rate rose due to the news that a peace agreement between Ukraine and Russia is possible. Additionally, the growth of the exchange rate was influenced by the news that the National Economic Council director in the White House, Kevin Hessett, became the main candidate for the position of the next Fed chairman. The exchange rate continued to rise in mid-week as the previous news continued to affect the weakening of the dollar, due to the expectation that Hessett will advocate for lower interest rates. The exchange rate did not record a major change on Thursday as the markets were in a reduced volume of trading due to U.S. holiday. The EUR/USD exchange rate fell briefly mid-day on Friday, followed by a rise as various economic data came from the euro area.

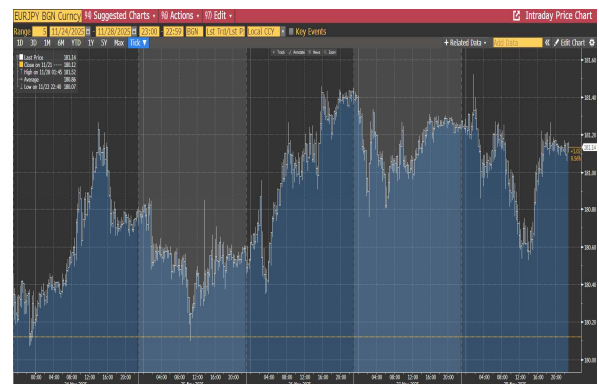
## EUR/GBP



The EUR/GBP exchange rate depreciated in this reporting week. Sterling was under pressure early Monday due to weaker-than-expected data on British retail sales from Friday, therefore the exchange rate went up. However, the sterling began to strengthen the same day the U.K. budget announcement was approaching, causing the

exchange rate to fall. The exchange rate recovered slightly at the end of the day on Tuesday owing to optimism that a peace agreement between Russia and Ukraine is possible, only to rise sharply on Wednesday once the British Office for Budget Responsibility (OBR) mistakenly released its economic forecast prior to the address of the finance minister, which briefly stirred the markets. After the official presentation of the budget, which includes a tax increase of 26 billion pounds and the expansion of the reserve fund to 22 billion pounds, confidence in the British currency increased, therefore the exchange rate fell sharply on the same day. The economic growth forecast for 2025 has been improved, while forecasts for the following years have been revised downwards. By the end of the week, the exchange rate stabilized without major fluctuations as investors assessed the economic implications of the budget, and on Friday the market focused on expectations regarding the Bank of England's interest rate decision at its December meeting.

## EUR/JPY



The EUR/JPY exchange rate recorded growth in this reporting week despite the volatile trend during the week. In general, the yen weakened as a result of concerns on large government spending and a stimulus package in Japan, which increase the risk of additional debt issuance. The yen also weakened due to uncertainty regarding the Bank of Japan's interest rate increase. On the other hand, the cautious attitude of the ECB officials provided support for the European currency. The occasional drop in the exchange rate was caused by verbal interventions by Japanese officials with the aim of preventing a larger drop in the currency. Expectations increased towards the end of the week that the Bank of Japan could increase the interest rate in December, which supported the yen.

**Table 1 - Exchange rates of the most important currencies**

	24-Nov-2025 <sup>1</sup>	28-Nov-2025 <sup>2</sup>	% Change
EUR/USD	1.1513	1.1598	0.74
EUR/GBP	0.87896	0.87640	-0.29
EUR/JPY	180.12	181.16	0.58
EUR/AUD	1.78350	1.77021	-0.75
EUR/CHF	0.93082	0.93216	0.14
USD/JPY	156.41	156.18	-0.15
GBP/USD	1.3099	1.3235	1.04

**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%	18-Dec-2025
Federal Reserves (Fed)	Federal Funds Target Rate	4.00%	10-Dec-2025
Bank of Japan (BoJ)	Overnight Call Rate	0.50%	19-Dec-2025
Bank of England (BoE)	Official Bank Rate	4.00%	18-Dec-2025
Swiss National Bank (SNB)	Libor Target Rate	0.00%	11-Dec-2025
Bank of Canada (BoC)	Target Overnight Rate	2.25%	10-Dec-2025
Reserve Bank of Australia (RBA)	Cash Rate Target	3.60%	9-Dec-2025

**Table 3 – ESTR and Euribor**

	24-Nov-2025 <sup>1</sup>	28-Nov-2025. <sup>2</sup>	Change in basis points
ESTR	1.9290	1.9250	-0.1
Euribor 1W	1.921	1.891	-3.0
Euribor 1M	1.926	1.946	2.0
Euribor 3M	2.047	2.060	1.3
Euribor 6M	2.123	2.110	-1.3
Euribor 12M	2.220	2.209	-1.1

<sup>1</sup> Opening market value on Monday

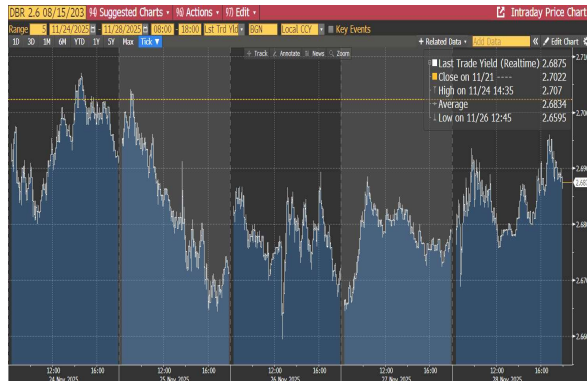
<sup>2</sup> Closing market value on Friday

**Table 4 - Economic indicators (24 - 28 November 2025)**

Country	Indicator	Period	Expected value	Current value	Previous value
Euro area	<b>ECB 1 Year CPI Expectations</b> This indicator shows how much consumers in the euro area expect prices to rise over the next 12 months, based on a survey by the European Central Bank. It serves as an early signal of inflationary pressures and helps the ECB assess how stable inflation expectations are.	October	2.6%	2.8%	2.7%
	<b>IFO Business Climate</b> Monthly survey of companies in Germany (in production, construction, wholesale and retail), in terms of the current business climate and expectations for the next 6 months. Considering that Germany is "liable" for ¼ of the total GDP of the euro area, this indicator is a significant sign of the economic health of the euro area as a whole. <b>GDP S.A.</b> Measures the final market value of all products and services produced within the country. GDP is the most commonly used indicator of economic activity. <b>GfK Consumer Confident</b> This index measures the level of households' confidence in terms of economic performance. <b>Import Price Index</b> This index tracks changes in the prices of products imported into the country. <b>CPI EU Harmonised</b> It estimates the changes in the cost of living, by measuring changes in the price level of market basket of consumer goods and services purchased by an average household. It is calculated using the same methodology in all countries to ensure data comparability.	November	88.5	88.1	88.4
Germany		Q3 F QoQ%	0.0%	0.0%	0.0%
		December	-23.5	-23.2	-24.1
		October MoM%	0.0%	0.2%	0.2%
		YoY%	-1.6%	-1.4%	-1.0%
		Nov P MoM%	-0.5%	-0.5%	0.3%
		YoY%	2.4%	2.6%	2.3%
USA	<b>PPI Final Demand</b> It measures the change in producer prices from the moment they leave the production site. Those are the prices the domestic producers receive for their output either at local or foreign market. <b>Conference Board Consumer Confidence</b> This index tracks confidence among households or consumers. The results are obtained by conducting surveys on a random sample of households. <b>Initial Jobless Claims</b> This indicator measures the number of people receiving unemployment allowances.	September MoM%	0.3%	0.3%	-0.1%
		YoY%	2.6%	2.7%	2.7%
		November	93.3	88.7	95.5
Japan	<b>Tokyo CPI Ex-Fresh Food</b> Measures the prices that consumers pay for a market basket of products and services, excluding fresh food products. <b>Unemployment Rate</b> It shows the number of unemployed persons as a percentage of the total labour force.	22 November	225K	216 K	222K
		November YoY%	2.7%	2.8%	2.8%
		October	2.5%	2.6	2.6%

Abbreviations: P=preliminary data, F=final data, T=third and final estimate, k=thousand, b=billion, SA=seasonal adjustment

## EUROPEAN GOVERNMENT BONDS MARKET



The yield on 10-year German government bonds was at approximately the same level at the beginning and at the end of the week (it equalled 2.69% early week, being 2.68% end-week). The yield fluctuated on Monday and averaged at 2.69%. France's debt exceeds that of its neighbours, and Prime Minister Sébastien Lecornu said he still believes Parliament will approve the budget even though the Assembly voted against its tax chapter. The yield recorded a slight drop of 2bp the next day. The yield on the 10-year German government bonds fluctuated again on Thursday and ranged between 2.66% and 2.68%. German bonds weakened in response to the release of inflation data (expected to show that inflation rose in November). The yield on German bonds rose slightly on Friday for the fact that the inflation in Germany was stronger than expected in November. The reference euro area bond yields also rose slightly on Friday, with expectations to fall again, as traders remained to their expectations for the ECB interest rate developments following the economic data.

## U.S. GOVERNMENT BONDS MARKET



The yield on 10-year U.S. government bonds dropped from 4.026% to 4.015% during this reporting week. The yield weakened for the first two days as the focus of investors was still on the upcoming Fed decision, which will be made on 10 December. The Fed President John Williams said last week that he sees room for another rate cut in the "near future". The U.S. auction cycle will begin a day earlier than usual, ahead of the U.S. Thanksgiving holiday. The yield also weakened due to the favouritism of the next Fed President - Kevin Hessett, who is now the director of the National Economic Council in the White House. The yield fluctuated on Wednesday due to the release of stronger-than-expected economic data and the fact that the 7-year bond auction worth USD 44 million resulted in a 1bp lower yield compared to the previous auction of the same maturity. Markets in the U.S. were closed on Thursday for the Thanksgiving holiday. The yield on the U.S. bonds ended the day on Friday at a higher level compared to the beginning of the day due to a slight recovery in share prices.

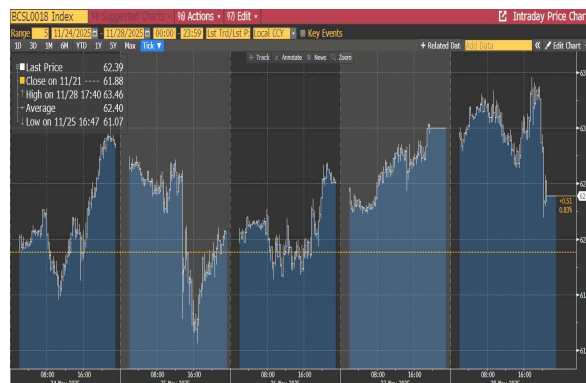


## GOLD



The price of gold rose this week from \$4,068.19 to \$4,239.43 per ounce. The growth was significant on the first and the last day of the week, whereas the gold price trend during the remaining days was stable - it ranged around \$4,150 per ounce. The gold price went up early week as investors raised expectations that the Fed could cut interest rates in December amid signs of weakness in the U.S. labour market. Those same expectations continued to influence the market on Friday, which once again led to a rise in the price of gold.

## OIL



The price of oil rose from \$61.90 to \$62.39 per barrel this week. It rose at the very beginning of the week, only to fall the very next day due to signals of progress in the peace negotiations between Russia and Ukraine. The price of oil recorded a constant slight increase during the next two days. The growth was mainly driven by investors' assessments that a positive outcome of the negotiations could lead to an increase in global supply, especially after the eventual lifting of sanctions against Russia. The price of oil fell the same day, and the decline was caused by expectations of the OPEC+ meeting that takes place over the weekend and estimates of how the potential calming of geopolitical tensions from Kyiv to Caracas could affect the oil market.

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