

Weekly overview of short news

- The price of gold rose this week from \$4,339.01 to \$4,533.21 an ounce, as a result of geopolitical tensions and expectations that the Fed will continue to cut interest rates.
- The price of oil fell slightly this week, from \$60.66 to \$60.59 per barrel. The price rose during the week due to geopolitical tensions, but fell on Friday and erased the gains due to the prospect of progress in the peace talks on Ukraine.
- The preliminary report on the U.S. GDP for Q3 2025 showed an annual growth rate of 4.3%, well above the expected 3.3%, which represents the highest growth in the last two years. This data weakened expectations that the Federal Reserve could implement more interest rate cuts next year.

EUR/USD



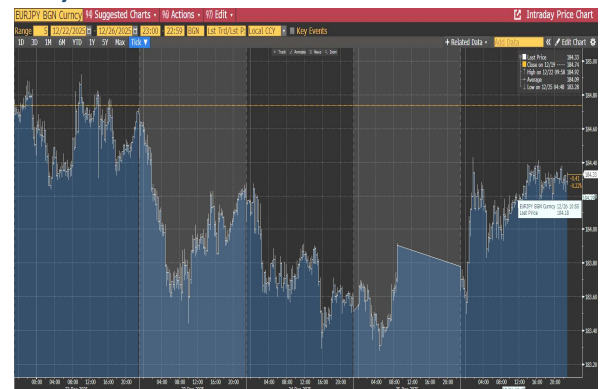
The **EUR/USD exchange rate** recorded an upward trend during the first two days of the week, due to the weakening of the dollar ahead of the release of key U.S. economic data. The dollar was further under pressure due to speculation that the Fed could continue to cut interest rates in the coming year. It weakened on Tuesday but recovered some of its losses after data was released showing that GDP and personal spending in the U.S. in Q3 2025 grew more than previously estimated. The volume of trade in the markets was reduced ahead of the holidays. There were no trades on Thursday due to the holiday, while the EUR/USD exchange rate fluctuated, with slight oscillations, without a clear direction on Friday.

EUR/GBP



The **EUR/GBP exchange rate** depreciated during this reporting week. The fall in the exchange rate was significant during the first two days of the week and as the Lloyds survey showed an increase in optimism among British businesses. The exchange rate did not record a major change in the rest of the week, as the markets were mainly in a reduced volume of trade for the holidays.

EUR/JPY



The **EUR/JPY exchange rate** did not record major changes on Monday, only to weaken for two days as traders watched for intervention in the currency market following Tokyo's warning regarding excessive volatility in the trend of the yen. Midweek trading was reduced due to holidays, but the yen weakened against all Group of 10 currencies on the final day of the week as the inflation in Tokyo showed signs of easing, raising questions about the timing of the Bank of Japan's next rate increase.

Table 1 - Exchange rates of the most important currencies

	22-Dec-2025 ¹	26-Dec-2025 ²	% Change
EUR/USD	1.1710	1.1772	0.53
EUR/GBP	0.87547	0.87218	-0.38
EUR/JPY	184.74	184.24	-0.27
EUR/AUD	1.77143	1.75311	-1.03
EUR/CHF	0.93164	0.92925	-0.26
USD/JPY	157.75	156.57	-0.75
GBP/USD	1.3379	1.3497	0.88

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%	05.02.2026.
Federal Reserves (Fed)	Federal Funds Target Rate	3.75%	28-Jan-2026
Bank of Japan (BoJ)	Overnight Call Rate	0.75%	23.01.2026.
Bank of England (BoE)	Official Bank Rate	3.75%	05.02.2026.
Swiss National Bank (SNB)	Libor Target Rate	0.00%	19-Mar-2026
Bank of Canada (BoC)	Target Overnight Rate	2.25%	28-Jan-2026
Reserve Bank of Australia (RBA)	Cash Rate Target	3.60%	2-Feb-2026

Table 3 – ESTR and Euribor

	22-Dec-2025 ¹	24-Dec-2025 ²	Change in basis points
ESTR	1.933	1.926	-0.7
Euribor 1W	1.917	1.909	-0.8
Euribor 1M	1.908	1.884	-2.4
Euribor 3M	2.002	2.018	1.6
Euribor 6M	2.126	2.119	-0.7
Euribor 12M	2.266	2.259	-0.7

*Value for 24th, as no data was released for 25th and 26th for the holidays.

¹ Opening market value on Monday

² Closing market value on Friday

Table 4 - Economic Indicators (22 - 26 December 2025)

Country	Indicator	Period	Expected value	Current value	Previous value
Japan	Tokyo CPI Measures the prices that consumers pay for a market basket of products and services.	December YoY%	2.3%	2.3%	2.8%
	Retail Sales This indicator measures the volume of sales of goods for personal and household spending.	November MoM% YoY%	0.4% 1.0%	0.6% 1.0%	1.6% 1.7%
	Unemployment Rate It shows the number of unemployed persons as a percentage of the total labour force.	November	2.2%	2.1%	2.2%
Great Britain	GDP Measures the final market value of all products and services produced within the country. GDP is the most commonly used indicator of economic activity.	Q3 F QoQ% YoY%	0.1% 1.3%	0.1% 1.3%	0.1% 1.3%
	Exports Products and services, manufactured in Great Britain, sold or are awaiting sale abroad.	Q3 F QoQ%	-0.1%	0.2%	-0.1%
	Imports Great Britain's demand for foreign products.	Q3 F QoQ%	-0.3%	0.3%	-0.3%
USA	Initial Jobless Claims It measures the number of people filing for unemployment benefits for the first time.	20 December	224 K	214 K	224 K
	Industrial Production It measures the changes in output of production, service and mining sectors.	November MoM%	0.1%	0.2%	-0.1%
	GDP Annualized Gross domestic product (GDP) measures the annual change in the inflation-adjusted value of all goods and services produced by the economy. It is the broadest measure of economic activity and the primary indicator of the economy's health.	Q3 QoQ%	3.3%	4.3%	3.8%

Abbreviations: P-preliminary data, F-final data, T-third and final estimate, k=thousand, b=billion, SA=adjusted for seasonal fluctuations

EUROPEAN GOVERNMENT BONDS MARKET



The yield on 10-year German bonds hit a nine-month high of 2,914% on Monday, largely due to the ECB's tight position on monetary policy, and expectations of increased fiscal spending in Germany. The ECB kept interest rates unchanged at its latest meeting, thus borrowing costs are expected to likely remain at current levels for some time to come. The yield started to fall at the end of the same day, whereas the downward trend continued on Tuesday, mostly due to the decrease in global bond sales, reaching 2.86% at the end of the day. The markets were closed for Christmas holidays as of Wednesday until the end of the week.

U.S. GOVERNMENT BONDS MARKET



The yield on 10-year U.S. bonds in this reporting week fell by some 2bp, ending the week at 4.13%. The yield was stable on Monday, only to start falling the very next day. However, after the release of the U.S. GDP data, expectations of a Fed rate cut in 2026 weakened, therefore this yield rose. It began to weaken at the end of the day, and it maintained such trend the following day, given that market activity was reduced due to the Christmas holidays. Markets were closed on Thursday whereas yields fluctuated on Friday as business volumes were reduced as the U.K. and most of the euro area remained closed for public holidays.

GOLD



The price of gold increased in this reporting week from \$4,339.01 to \$4,533.21 per ounce. The price of gold rose for the first two days of this week as a result of increased geopolitical risks and the U.S. blockade of tankers in Venezuela. The price of gold continued to rise even after the U.S. announced unexpected GDP growth in Q3 2025. The market was quite stable in mid-week, ahead of the holidays and at the very end of the week, and the price of gold reached a record high due to growing geopolitical tensions, the weakness of the U.S. dollar and low market liquidity.

OIL



The price of oil was at a similar level at the beginning and at end-week. It amounted to \$60.66 per barrel early week, reaching \$60.59 per barrel at end-week. Oil prices rose for the first two days as the U.S. Coast Guard stepped up a blockade along Venezuela's coast, targeting oil tankers to cut off economic support for President Nicolas Maduro's government. Investors looked at the American restriction of deliveries from Venezuela with weak demand during this period. The market was closed on Thursday for the holiday, and oil prices fell in muted post-Christmas trade on Friday as investors weighed new developments in long-stalled peace talks with Ukraine that could lead to a deal that would allow more Russian oil into global markets struggling with oversupply.

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