

ACI FMA INSIGHTS

No. 17 – January 2026

Membership

Ethical Conduct

Education



EURO – the official currency of the Republic of Bulgaria from January 1, 2026

On January 1, 2026, the Republic of Bulgaria will join the eurozone and become the 21st Member State of the European Union to adopt the euro as its official currency.

The date of introduction of the euro was determined by Council Decision (EU) 2025/1407, in accordance with Article 140(2) of the Treaty on the Functioning of the European Union.

The introduction of the euro will be performed at the official exchange rate of BGN 1.95583 to EUR 1, which is the irrevocably fixed exchange rate of EUR/BGN.

The Role of Businesses - Businesses will be among the main beneficiaries of the changeover to the euro.

Transaction costs will disappear, cross-border payments will be easier, trade risks will diminish, and competitiveness will strengthen. This is particularly important for small and medium-sized enterprises, which will gain equal access to the single market and benefit from lower costs of capital.

The euro will also provide better access to European financial markets, greater predictability, and stronger investor interest in Bulgaria. This translates into new investments, greater labour market flexibility, and faster economic growth.

The key challenge for businesses now is to complete their technical preparations, train their staff, and communicate clearly with customers. Only then can the process be transparent and free of unnecessary tension.

Impact on Citizens - The ultimate measure of success is the benefit to citizens.

For people, the new currency means greater stability and security. Their savings will be protected, loans will become more transparent, and purchasing power will be better preserved –especially in the face of global shocks.

The government is already implementing key measures, including the dual display of prices, enhanced oversight, and broad information campaigns.

The institutions, BNB and banks regularly publish answers to all euro-related questions on their websites and in printed form.

Municipalities as Intermediaries

Municipalities will also benefit from easier access to European programmes and greater predictability in budget planning. This will give them more flexibility to implement local investments and better conditions for managing public resources.

For tourist destinations in Bulgaria in particular, the euro introduction will open new opportunities for tourism development.

Most importantly, municipalities are closest to the people. They are best placed to explain the process within their communities and ensure that it is understood as fair, transparent, and inclusive.

The Challenges - We must not underestimate the challenges ahead.

The first challenge is the perception of prices. Even when official statistics confirm price stability, public perception of rising prices can undermine trust. The response must be strict oversight, honest dialogue, and timely communication.

The second challenge is political stability. Joining the euro area is a national project, which requires consistency and broad political consensus on key issues.

The transition will test the maturity of political forces – their ability to put Bulgaria's long-term interests above short-term party considerations.

Success will require the combined effort of institutions, businesses, trade unions, and local authorities.

ACI Bulgaria fully supports Bulgaria's accession to the Eurozone, recognizing it as a key step toward deeper financial integration, greater economic stability, and enhanced investor confidence. The adoption of the euro will strengthen Bulgaria's position within the European financial framework, improve market efficiency and foster long-term growth and competitiveness.

ACI Bulgaria



Kuwait's financial market structure is characterized by a strong regulatory framework, a dominant banking sector, and growing diversification through capital markets and Islamic finance. The Kuwaiti financial system is anchored by the Central Bank of Kuwait (CBK), which oversees monetary policy, banking regulation, and financial stability. The banking sector is the backbone of the market, comprising both conventional and Islamic banks that provide credit, deposits, and investment services. Kuwait has been a pioneer in Islamic finance, with Sharia-compliant products such as sukuk and Islamic investment funds playing a major role in capital formation.

The Kuwait Stock Exchange (Boursa Kuwait) serves as the primary platform for equity trading, offering a regulated environment for domestic and foreign investors.

It has undergone modernization, including privatization and alignment with international standards, to attract global capital. Beyond equities, Kuwait's financial market includes debt instruments, private equity, and venture capital, with recent emphasis on ESG-linked products and fintech innovation to support diversification and sustainability goals. The government also plays a significant role through sovereign wealth funds, most notably the Kuwait Investment Authority (KIA), which manages one of the world's largest sovereign portfolios. Together, these institutions ensure the efficient allocation of resources, channeling savings into productive investments while maintaining resilience against external shocks. Overall, Kuwait's financial market structure reflects a balance between traditional banking dominance, innovative Islamic finance, and evolving capital markets, positioning it as a key player in the Gulf's economic transformation.

Mr. Abdulwahab Al-Banna
ACI FMA Kuwait President

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This year has been a reminder of just how quickly sentiment can shift in global markets. Even as the Dollar Index weakened, the rupiah didn't respond the way it typically does. Instead of strengthening, it continued to be under pressure, and that decoupling is something we've been watching closely. Limited foreign inflows have played a big role, and by December 2025, we noted that the rupiah was among the most depreciated currencies in the region[RW1]. Despite that, Bank Indonesia's decision to hold rates in October brought a sense of stability to the market, while keeping the door open for easing as global Fed cut expectations build.

Toward the end of the year, there was a noticeable shift regarding market sentiment. Domestic investors turned more optimistic, and the stock market climbed over 20% year-to-date, helped by early signs of foreign funds returning. It wasn't at the level of South Korea or Vietnam, but it was encouraging. It reinforced the view that Indonesian markets can recover quickly when confidence returns.

For us, this environment has been about adapting rather than reacting. Volatility has forced us to stay closer to clients and give them more frequent market insights, especially FX risks and bond yields. We've leaned heavily on hedging tools and alternative pricing structures to help clients manage uncertainty without disrupting their business flows. Collaboration across the banking industry has been critical as well, as aligning with regulators and counterparts helped maintain transparency and smooth execution when liquidity thinned.

Looking ahead, we don't expect volatility to disappear, but we're optimistic about where Indonesia stands. As global inflation is projected to ease, Indonesia and most central banks are expected to continue cutting rates. Our GDP growth looks steady, and Indonesian banks remain well-capitalized compared to peers in ASEAN. The rupiah may still weaken going into 2026 before recovering, but the fundamentals are intact. To us, the key to going forward will be staying agile, keeping risk management front and center, and continuing to look for improvements as market participants. If we do that, I believe Indonesia's financial markets are positioned not just to withstand volatility, but to grow from it.

Aries Syamsul Arifien
ACI FMA Indonesia President



I am truly humbled and deeply honored to accept the opportunity to lead ACI FMA's education initiatives in the coming period. For me, this appointment confirms that ACI FMA is a genuinely international association that values ethics, professionalism, long-term dedication, excellence, and equal opportunity for all. I embrace the significant responsibility this role carries wholeheartedly, and I am fully committed to delivering on its expectations.

My belief is that true power comes from knowledge. My motivation for taking on this role is rooted in experience witnessing how targeted education transforms professionals and markets. Rigorous, practical learning - reinforced by ethical codes and sound judgment - strengthens technical competence and materially improves decision-making across trading venues, treasury desks, risk teams, and financial market infrastructures. Well-trained professionals manage risk more effectively, comply with evolving regulations, and act with greater integrity; these outcomes translate into orderly, ethical financial markets. Our educational activities will focus on designing and delivering programs that close skills gaps in a fast-changing environment, embed professional ethics, and deliver measurable benefits for employers, regulators, and the wider financial system.

I strongly believe leadership of the educational initiative should be based on collaboration and empowerment. Leading without formal authority by practicing co-elevation is key: mentoring and enabling ACI FMA's education team members, Board of Education colleagues, accredited trainers, national associations, and members to take ownership of learning outcomes. Practically, this means convening training experts, practitioners, regulators, and national associations to co-design curricula that map directly to market needs, regulatory expectations, and technological change. We will draw on the technical and strategic strengths across our network to ensure offerings are both outstanding and strategically relevant, delivering tangible value to members.

ACI FMA's international footprint is central to our work. Our diversity is our strength, and we will mobilize resources across our 61-country membership to create meaningful impact and member value. Above all, I pledge to lead with integrity, professionalism, and a commitment to lifelong learning. I look forward to working closely with colleagues and members worldwide; please share your ideas, partnership proposals, or training needs so we can shape priorities and deliver measurable benefits together.

Elena Trimcheska
ACI FMA Head of Education



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