

Daily Economic Update

Economic Research Department
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US: Job openings beat forecasts in May, remaining at a two-year high. In another sign of an improving labor market, job openings (JOLTS data) in May beat forecasts to hit a two-year high of 7.59 million, up slightly from April's level. The hiring rate was stable at 3.3%, reflecting the creation of 5.2 million jobs (gross) in May, with the separation rate also steady at 3.2%, reflecting a loss of 5.1 million jobs (gross). The quits rate was also steady at 1.9%, matching the lowest level since the pandemic. The important vacancies/unemployed ratio was broadly unchanged at around 1. Overall, the latest JOLTS report further indicates that the labor market has been improving in recent months, recovering from the "jobs recession" seen in 2025. Separately, helped by the sharp drop in oil prices in June, the Conference Board's Consumer Confidence Index inched up to 91.2 in June, from a downwardly revised 90.6 in May, but missed expectations. The increase was driven by an improvement in the Expectations Index, which is based on the short-term outlook for income, business, and labor market conditions, which rose to 74.4 from 71.4, while the Present Situation Index, which is based on consumers' assessment of current business and labor market conditions, fell to 116.4 from 119.4.

Saudi Arabia: Saudi unemployment falls to a near-record low in 1Q 2026. The unemployment rate among Saudi nationals declined to 6.4% in Q1 2026, its second-lowest level since 2021, while the overall unemployment rate in the Kingdom fell to 3.1%, according to the latest GASTAT labor force survey. The continued improvement reflects both structural reforms and stronger labor demand. As Vision 2030 mega-projects move from the planning stage into execution, hiring has accelerated across several sectors. At the same time, Saudization policies continue to expand employment opportunities for nationals, particularly in logistics, technology, and private sector services, while ongoing labor market reforms have further increased female participation. Female unemployment dropped to a record low of 9%, while male unemployment eased to 4.9%. However, the overall labor force participation rate slipped slightly to 49%, suggesting fewer Saudis actively seeking work in Q1, particularly among younger age groups. One of the most notable findings from the survey was the continued shift in employment preferences. Nearly 96% of unemployed Saudis said they would be willing to work in the private sector, highlighting a significant cultural change from the traditional preference for public sector employment. The survey also showed growing labor market flexibility for females, with many job seekers expressing greater willingness to commute longer distances and adapt to private sector working conditions.

Egypt: Government successfully issues new Samurai Bond. The government has successfully issued \$500 million (JPY80 billion) in sustainability Samurai bonds in the Japanese market, marking another step in the government's strategy to diversify its external financing sources and lower borrowing costs. The issuance was completed in two tranches, a five-year and a 10-year bond, and was fully backed by a partial credit guarantee from the African Development Bank (AfDB). The guarantee helped Egypt secure attractive financing terms, with yields of 2.87% on the five-year tranche and 3.50% on the 10-year tranche, well below the cost of issuing conventional international bonds. The proceeds will be used to finance eligible projects under Egypt's Sovereign

Sustainable Financing Framework, supporting investments with environmental and social benefits. The Samurai bond completes Egypt's international borrowing program for FY25/26, with total international bond issuances reaching \$4 billion during the fiscal year. Looking ahead to FY26/27, the Ministry of Finance plans to continue diversifying its funding sources through additional social bonds and international sukuk, targeting \$3-4 billion in new external issuances. The successful issuance reflects Egypt's continued ability to access international capital markets while expanding its investor base beyond traditional markets, reducing refinancing risks, and improving the overall structure of its public debt.

Oman: Robust real estate activity in Q1 led by the residential sector. According to the official quarterly real estate report, overall real estate prices continued to rise sharply in Q1 (+15.9% y/y), the fourth consecutive quarter of double-digit increases. The positive trend was led by the residential (+17.6% y/y; +12% q/q) and commercial sectors (+10.5% y/y; +3.0% q/q). Sales, which are typically volatile due to fluctuating transaction volumes, amounted to OMR 678 million in Q1, and increase of 18% y/y though recent monthly data point to a slowdown likely due to temporary war-related disruptions. The strength of the real estate sector is underpinned by steady non-oil sector growth, labor force expansion, foreign ownership liberalization, and other investment boosting reforms - factors which are expected to continue to lend support going forward.

Daily market indicators

Stock markets	Index	Change (%)	
		Daily	YTD
Regional			
Abu Dhabi (ADI)	9,804	-0.36	-1.89
Bahrain (ASI)	2,043	0.12	-1.16
Dubai (DFMGI)	5,956	-0.63	-1.51
Egypt (EGX 30)	50,488	1.33	20.70
GCC (S&P GCC 40)	734	-0.30	0.22
Kuwait (All Share)	8,706	-0.51	-2.26
KSA (TASI)	10,800	0.07	2.95
Oman (MSM 30)	7,505	0.54	27.93
Qatar (QE Index)	10,242	-0.10	-4.84

International			
CSI 300	4,979	1.07	7.55
DAX	24,996	1.50	2.06
DJIA	52,319	0.26	8.85
Eurostoxx 50	6,328	1.55	9.27
FTSE 100	10,497	0.12	5.70
Nikkei 225	70,062	0.86	39.18
S&P 500	7,499	0.79	9.55

3m interbank rates	%	Change (bps)	
		Daily	YTD
Bahrain	5.14	-1.22	16.06
Kuwait	3.56	0.00	0.00
Qatar	4.10	0.00	12.50
UAE	3.82	-8.17	34.47
Saudi	4.72	-0.88	-13.84
SOFR	3.73	0.83	8.21

Bond yields	%	Change (bps)	
		Daily	YTD
Regional			
Abu Dhabi 2030	4.66	5.36	70.2
Oman 2029	4.93	3.52	40.5
Qatar 2030	4.58	6.16	59.3
Kuwait 2030	4.55	3.98	40.8
Saudi 2030	4.90	4.16	63.4

International 10YR			
US Treasury	4.46	8.29	29.8
German Bund	2.91	4.82	5.3
UK Gilt	4.75	3.75	28.3
Japanese Gvt Bond	2.67	4.10	60.9

Exchange rates	Rate	Change (%)	
		Daily	YTD
KWD per USD	0.31	0.00	0.06
KWD per EUR	0.35	-0.01	-0.13
USD per EUR	1.14	0.01	-2.76
JPY per USD	162.54	0.37	3.76
USD per GBP	1.33	0.03	-1.58
EGP per USD	49.08	-0.14	3.00

Commodities	\$/unit	Change (%)	
		Daily	YTD
Brent crude	72.92	-0.31	19.84
KEC	79.50	-0.44	32.15
WTI	69.50	-1.77	21.04
Gold	4022.9	0.01	-7.00

Quoted prices/rates collected after close of last trading day (or are most recent available)

Source: LSEG / Haver.