PUBLIC

TREASURY GROUP
NATIONAL BANK OF KUWAIT

Treasury Daily Newsletter

9-Jul-26

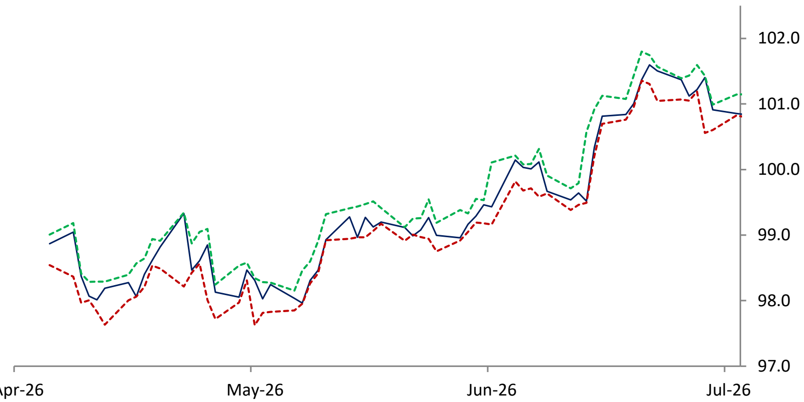
Kuwaiti Dinar Today 0.30770 / 0.30780

Key Market Highlights:

- The US dollar index held near 101 on Thursday and remained on track for weekly gains, supported by renewed safe-haven demand as tensions in the Middle East escalated. The conflict pushed oil prices higher, raising concerns that energy-driven inflation could keep interest rates elevated for longer. Meanwhile, minutes from the Federal Reserve's June meeting showed growing concern among officials over inflation, with markets now pricing in at least one Fed rate hike by the end of 2026. Investors are watching weekly jobless claims and existing home sales for further clues on the direction of the economy and interest rates. For now, geopolitical uncertainty and inflation concerns continue to give the dollar a firm tone.

- China's annual inflation eased to 1.0% in June 2026, down from 1.2% in both April and May, coming slightly below expectations of 1.1% and marking the softest rise in three months. The slowdown was mainly driven by weaker non-food inflation, particularly transport costs, after the government cut domestic gasoline and diesel prices amid lower energy prices. Food prices remained a drag, falling for a third consecutive month as pork prices stayed weak and fresh fruit prices continued to decline. Housing costs also fell at a faster pace, while clothing, healthcare, and education prices continued to rise modestly. Core inflation, excluding food and energy, eased to 1.0% from 1.1%, suggesting underlying demand remains relatively soft. On a monthly basis, consumer prices dropped 0.3%, reinforcing the view that China's inflation backdrop remains subdued.

U.S. Dollar Index
3-Month Performance



Technical Levels	Support 2	Support 1	Spot	Resistance 1	Resistance 2
EUR	1.1325	1.1385	1.1425	1.1480	1.1530
GBP	1.3220	1.3300	1.3400	1.3460	1.3500
JPY	160.50	161.60	162.40	162.85	163.50
CHF	0.7910	0.7980	0.8070	0.8140	0.8200

Currencies	Closing	YTD %		Closing	YTD %
EUR/USD	1.1414	2.60	EUR/GBP	0.8526	2.21
GBP/USD	1.3386	0.40	GBP/JPY	217.61	3.19
USD/JPY	162.58	3.60	EUR/JPY	185.61	0.92
USD/CHF	0.8080	1.72	EUR/CHF	0.9229	0.96

Brief Technical Commentary

The EURUSD pair rose during highly volatile intraday trading, regaining stability above the 4H EMA50, which provides a dynamic support.

The USDJPY pair rose in its last intraday trading, waiting to gain new bullish momentum that might support resuming the rise in the near upcoming period. Short-term outlook is bullish.

Commodities	Last Price	% Change	Global Indices	Last Price	% Change
Kuwait Oil	76.78	0.87	Dow Jones	52,348.39	1.09
Brent	77.71	0.40	Nikkei 225	67,743.85	1.38
West Texas	73.25	0.37	S&P 500	7,482.71	0.28
Gold	4,109.00	0.65	KuwaitSE	8,671.79	0.11

Economic Events	Country	Event	Actual	Forecast	Previous
06-Jul-26	USD	ISM Services PMI	54.0	54.2	54.5
07-Jul-26	GBP	BOE Gov Bailey Speaks			
08-Jul-26	NZD	Official Cash Rate	2.50%	2.50%	2.25%
08-Jul-26	USD	Final Wholesale Inventories m/m	0.1%	0.3%	0.3%
08-Jul-26	USD	Crude Oil Inventories	3.0M	-1.9M	-3.8M
08-Jul-26	USD	FOMC Meeting Minutes			
09-Jul-26	USD	Unemployment Claims		218K	215K
10-Jul-26	CAD	Employment Change		10.0K	87.8K
10-Jul-26	CAD	Unemployment Rate		6.6%	6.6%
10-Jul-26	USD	Fed Monetary Policy Report			

Local & Global Rates (%)	O/N	1-Month	3-Month	6-Month	1-Year
KWD	2.44	3.38	3.56	3.75	3.94
USD	3.62	3.67	3.75	3.85	4.00
EUR	2.16	2.22	2.31	2.54	2.70
GBP	3.73	3.75	3.80	3.91	4.09

Government Yields (%)	1-Year	2-Year	5-Year	10-Year	30-Year
United States	4.02	4.19	4.30	4.56	5.07
Germany	2.51	2.66	2.78	3.07	3.63
United Kingdom	4.07	4.27	4.45	4.92	5.64
Japan	1.22	1.42	1.98	2.86	3.99