TREASURY GROUP
NATIONAL BANK OF KUWAIT

Treasury Daily Newsletter

10-Jun-26

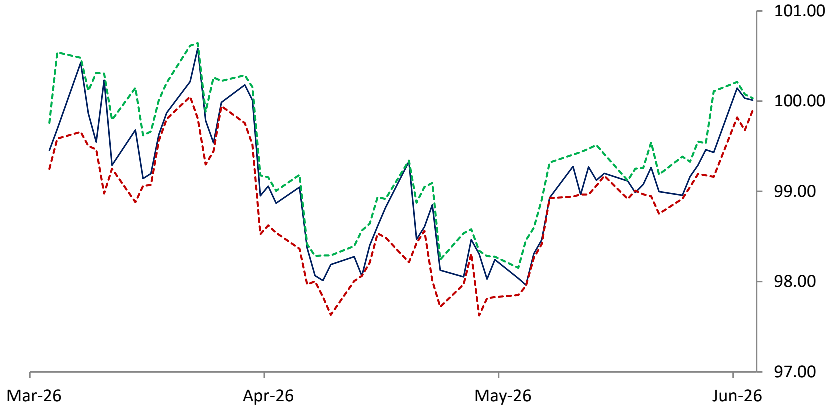
Kuwaiti Dinar Today 0.30720 / 0.30730

Key Market Highlights:

- The U.S. dollar index held firm as investors moved into a defensive stance following renewed U.S.-Iran hostilities and ahead of today's U.S. CPI report, which is expected to be a key driver of Federal Reserve rate expectations. Furthermore, it can be seen that markets are increasingly focused on whether inflation remains elevated enough to keep the Fed restrictive, with stronger energy prices and resilient economic data supporting the dollar—with specific attention pointed the stark shifts in EUR/USD and GBP/USD. Oil's partial rally followed by the dragging within ~$90 is also reinforcing inflation concerns, helping underpin Treasury yields and broad dollar demand as geopolitical risk boosts safe-haven flows with geopolitical tensions rising and falling sporadically along with mixed messaging on account of directions and peace talks moving forward.

- The euro and pound remain pressured by the amalgamation of dollar strength, rising energy costs, and heightened geopolitical uncertainty from both concerns in the Middle East as well as Eastern Europe. Dragging crude prices—driven by Middle East supply risks, falling U.S. inventories, and continued disruptions around key oil shipping routes—are reviving inflation concerns globally, although monetary policy has begun, in some aspects, stabalizing across the board to combat such fears. For Europe and the UK, both significant energy importers, higher oil prices threaten growth while complicating the inflation outlook, leaving EUR and GBP vulnerable if markets continue to price a more hawkish Fed and sustained energy-driven price pressures.

DXY
3-Month Performance



Technical Levels	Support 2	Support 1	Spot	Resistance 1	Resistance 2
EUR	1.1400	1.1445	1.1545	1.1600	1.1685
GBP	1.3165	1.3215	1.3380	1.3480	1.3550
JPY	157.30	159.10	160.35	160.75	161.50
CHF	0.7795	0.7870	0.7990	0.8045	0.8100

Currencies	Closing	YTD %		Closing	YTD %
EUR/USD	1.1543	1.61	EUR/GBP	0.8624	1.03
GBP/USD	1.3376	0.59	GBP/JPY	214.50	1.76
USD/JPY	160.36	2.34	EUR/JPY	185.09	0.71
USD/CHF	0.7980	0.68	EUR/CHF	0.9214	0.96

Brief Technical Commentary

The EURUSD price slipped lower during its latest intraday trading, with the emergence of negative signals from the RSI, amid the dominance of short-term bearish trend.

The USDJPY price continues to hold onto its recent gains during intraday trading. Benefiting from trading above the 4H EMA50, enhancing the prospects for extending gains.

Commodities	Last Price	% Change	Global Indices	Last Price	% Change
Kuwait Oil	102.41	0.29	Dow Jones	50,872.11	0.17
Brent	91.98	0.58	Nikkei 225	63,910.58	2.30
West Texas	88.74	0.54	S&P 500	7,386.65	0.25
Gold	4,176.20	1.99	KuwaitSE	8,692.01	0.26

Economic Events	Country	Event	Actual	Forecast	Previous
08-Jun-26	JPY	Final GDP q/q	0.5%	0.3%	0.5%
09-Jun-26	USD	Trade Balance	-55.9B	-55.2B	-60.3B
10-Jun-26	USD	Core CPI y/y		2.9%	2.8%
10-Jun-26	CAD	Overnight Rate		2.3%	2.25%
10-Jun-26	USD	Crude Oil Inventories		-3.0M	-8.0M
11-Jun-26	EUR	Main Refinancing Rate		2.40%	2.15%
11-Jun-26	USD	Core PPI m/m		0.5%	1.0%
11-Jun-25	EUR	ECB Press Conference			
12-Jun-26	GBP	GDP m/m		-0.1%	0.3%
12-Jun-26	USD	Prelim UoM Inflation Expectations			4.5%

Local & Global Rates (%)	O/N	1-Month	3-Month	6-Month	1-Year
KWD	2.50	3.44	3.56	3.75	4.00
USD	3.63	3.62	3.67	3.75	3.93
EUR	1.89	2.04	2.35	2.59	2.82
GBP	3.73	3.75	3.81	3.94	4.16

Government Yields (%)	1-Year	2-Year	5-Year	10-Year	30-Year
United States	3.88	4.13	4.26	4.53	5.01
Germany	2.48	2.66	2.76	3.05	3.59
United Kingdom	4.14	4.31	4.46	4.90	5.58
Japan	1.12	1.41	1.92	2.67	3.84