

## Treasury Daily Newsletter

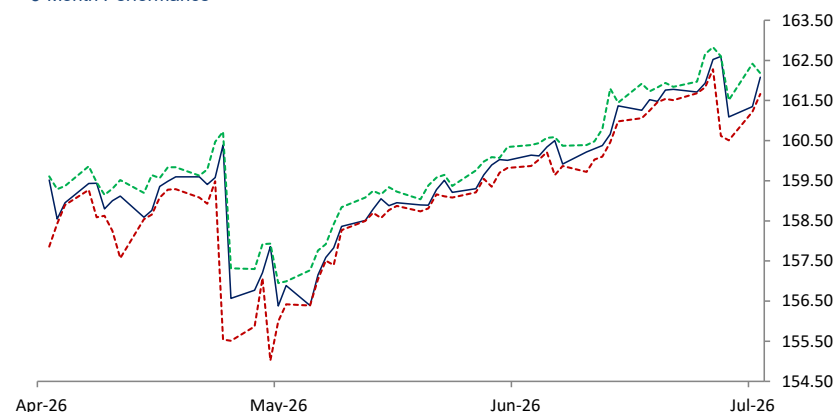
7-Jul-26

Kuwaiti Dinar Today 0.30755 / 0.30765

### Key Market Highlights:

- The yen remained under pressure near 40-year lows, keeping markets alert as the Japanese government pushed back on claims and market views that it's direction forward for fiscal reform and forward-pressing monetary policy to strengthen and support yen against its recent movement were being watered down. Concerns over the recent expansionary policy have since pushed bond yields to multi-decade highs yet yen strength remains in the air as BOJ and Government sparingly show conflicting directions in terms of tangible policy. With no clear-cut new signs of intervention ahead, USD/JPY currently pushes into ~161.86 as traders grow passively emboldened to push the currency despite risks of a move by Tokyo to keep losses in check could still occur. Despite the Bank of Japan's policy normalization, traders are closely watching any shift in intervention strategy as Tokyo prioritizes disorderly market moves over defending a specific exchange-rate level. Higher oil prices remain a headwind for the import-dependent Japanese economy by worsening the terms of trade and weighing on the yen
- The U.S. dollar stabilized after last week following significantly softer U.S. labor data, with investors turning their focus to upcoming Federal Reserve minutes on July 8<sup>th</sup> for fresh guidance on the interest-rate outlook. Oil edged higher as attention shifted toward recovering supply, as OPEC+ production increases, Saudi Arabia's sharp cut to August crude selling prices for Asia, and demand prospects, leaving energy markets balanced between improving supply and lingering geopolitical risks. The evolving labor and oil backdrop remains a key driver for inflation expectations and, in turn, the outlook for the dollar and major currencies.

### USD/JPY 3-Month Performance



Technical Levels	Support 2	Support 1	Spot	Resistance 1	Resistance 2
EUR	1.1350	1.1400	1.1440	1.1500	1.1550
GBP	1.3300	1.3340	1.3390	1.3440	1.3500
JPY	160.60	161.00	161.70	162.40	163.00
CHF	0.7950	0.8000	0.8055	0.8100	0.8150

Currencies	Closing	YTD %	Closing	YTD %	
EUR/USD	1.1440	2.70	EUR/GBP	0.8542	2.00
GBP/USD	1.3390	0.71	GBP/JPY	217.00	2.72
USD/JPY	162.08	3.43	EUR/JPY	185.44	0.65
USD/CHF	0.8048	1.73	EUR/CHF	0.9212	1.03

### Brief Technical Commentary

EURUSD trading the ranges between support at 1.1400 and resistance at 1.1500. A break above 1.1500 may test support at 1.1550, this will likely require a catalyst in the form of lower US rate expectations or strong Eurozone data. 1.1350 is the second support level on the downside for EUR.

USDJPY continues trading close to 162.00, the next major resistance levels above the figure are at 162.40 followed by 163.00. Support for the pair is at 161.00 followed by 160.60. Yesterdays high was 162.42.

Economic Events	Country	Event	Actual	Forecast	Previous
06-Jun-26	USD	ISM Services PMI		54.2	54.5
07-Jun-26	GBP	BOE Gov Bailey Speaks			
08-Jul-26	NZD	Official Cash Rate		2.50%	2.25%
08-Jul-26	USD	Final Wholesale Inventories m/m		0.3%	0.3%
08-Jul-26	USD	Crude Oil Inventories			-3.8M
08-Jul-26	USD	FOMC Meeting Minutes			
19-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			

Commodities	Last Price	% Change	Global Indices	Last Price	% Change
Kuwait Oil	69.61	0.78	Dow Jones	53,055.91	0.29
Brent	72.51	0.72	Nikkei 225	69,491.71	2.04
West Texas	69.00	0.66	S&P 500	7,483.24	0.72
Gold	4,127.23	0.91	KuwaitSE	8,761.34	0.26

Local & Global Rates (%)	O/N	1-Month	3-Month	6-Month	1-Year
KWD	2.44	3.44	3.56	3.75	4.00
USD	3.64	3.67	3.73	3.84	3.99
EUR	2.15	2.21	2.32	2.55	2.71
GBP	3.73	3.74	3.77	3.83	3.94

Government Yields (%)	1-Year	2-Year	5-Year	10-Year	30-Year
United States	3.90	4.13	4.23	4.50	5.01
Germany	2.42	2.56	2.68	2.97	3.55
United Kingdom	4.01	4.09	4.33	4.81	5.56
Japan	1.21	1.39	1.95	2.83	4.04