

## Treasury Daily Newsletter

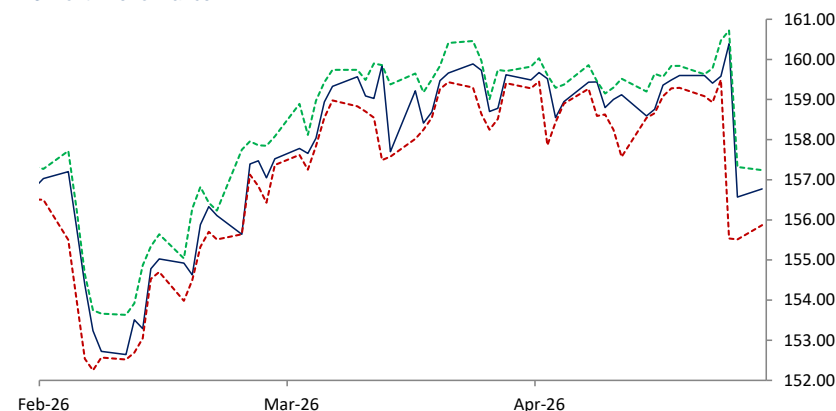
4-May-26

Kuwaiti Dinar Today 0.30625 / 0.30635

### Key Market Highlights:

- FX markets saw mixed momentum as a heavy batch of global PMI and inflation data shaped sentiments. JPY remained in focus after a large shift from ~160.5 to ~155.5 following the BOJ's intervention where-in-by the USD faced its biggest weekly loss against the yen since Febuary. Tokyo Core CPI printed at 1.5%, while Japan's final manufacturing PMI came in at 55.1, signaling expansion. GBP was relatively firm, supported by stronger domestic data including manufacturing PMI at 53.7, money supply growth (0.8% m/m), solid lending figures and the BOE keeping their policy rate unchanged at 3.75%. USD activity was mixed: final manufacturing PMI beat expectations at 54.5, but ISM manufacturing PMI slipped to 52.7, indicating a slower growth, while ISM prices surged to 84.6, highlighting persistent inflation pressures.
- Commodities and commodity-linked currencies drew support from strong Australian commodity prices (+15.7% y/y), despite softer PPI (0.4% q/q). NZD lagged slightly with building consents down -1.3%. CHF and EUR liquidity remained thin due to widespread bank holidays across Europe. CAD manufacturing PMI held steady at 53.3. In monitoring US macro developments; USD GDP rises by 2.0% q/q annualised as of Q1 2026, rebounding from a growth of 0.5% in Q4 of 2025- with notes such as the government shutdown resolving, a scheduled speech from President Trump, and total vehicle sales at 15.9M. Overall, growing concerns over inflation signals combined with manufacturing resilience remain key drivers across the global board.

### USD/JPY 3-Month Performance



Technical Levels	Support 2	Support 1	Spot	Resistance 1	Resistance 2
EUR	1.1620	1.1675	1.1725	1.1785	1.1830
GBP	1.3485	1.3530	1.3585	1.3650	1.3700
JPY	155.50	156.20	156.75	157.30	158.00
CHF	0.7700	0.7750	0.7810	0.7860	0.7900

Currencies	Closing	YTD %	Closing	YTD %	
EUR/USD	1.1720	0.11	EUR/GBP	0.8629	0.95
GBP/USD	1.3572	0.85	GBP/JPY	213.07	0.96
USD/JPY	157.03	0.12	EUR/JPY	184.07	0.02
USD/CHF	0.7815	1.45	EUR/CHF	0.9161	1.58

### Brief Technical Commentary

President Trump said the US will begin guiding some neutral ships trapped in the Persian Gulf out from the Strait of Hormuz, and that the US is having "very positive discussions" with Iran. EURUSD is still in the 1.1650-1.1750 range with support at 1.1675 and resistance at 1.1785.

USDJPY is back below the 157 handle, support for the pair is at 156.20 and 155.50. Resistance is at 157.30 followed by 158.00. The MoF spent roughly USD 30bn during the last weeks interventions bringing the pair 5 figures lower to a low of 155.50.

Commodities	Last Price	% Change	Global Indices	Last Price	% Change
Kuwait Oil	105.22	3.37	Dow Jones	49,499.27	0.31
Brent	108.24	0.06	Nikkei 225	59,513.12	0.38
West Texas	101.63	0.30	S&P 500	7,230.12	0.29
Gold	4,622.60	0.47	KuwaitSE	8,915.92	0.09

Economic Events	Country	Event	Actual	Forecast	Previous
05-May-26	AUD	Cash Rate		4.35%	4.10%
05-May-26	USD	ISM Services PMI		53.8	54.0
05-May-26	USD	JOLTS Job Openings		6.87M	6.88M
06-May-26	NZD	Unemployment Rate		5.4%	5.4%
06-May-26	USD	Crude Oil Inventories			-6.2M
07-May-26	CHF	Unemployment Rate		3.0%	3.0%
08-May-26	GBP	BOE Gov Bailey Speaks			
08-May-26	USD	Non-Farm Employment Change		60K	178K
08-May-26	CAD	Unemployment Rate		6.70%	6.70%
08-May-26	USD	Unemployment Rate		4.30%	4.30%

Local & Global Rates (%)	O/N	1-Month	3-Month	6-Month	1-Year
KWD	2.44	3.44	3.56	3.75	3.94
USD	3.66	3.65	3.66	3.67	3.73
EUR	1.94	1.98	2.20	2.52	2.85
GBP	3.73	3.74	3.84	4.03	4.30

Government Yields (%)	1-Year	2-Year	5-Year	10-Year	30-Year
United States	3.72	3.90	3.94	4.39	4.98
Germany	2.47	2.65	2.76	3.04	3.55
United Kingdom	4.27	4.39	4.48	4.94	5.63
Japan	1.09	1.37	1.87	2.50	3.70