PUBLIC

TREASURY GROUP
NATIONAL BANK OF KUWAIT

Treasury Daily Newsletter

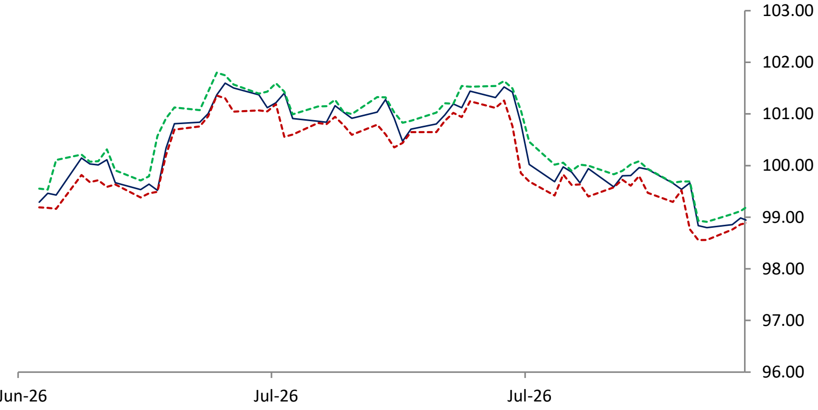
1-Sep-26

Kuwaiti Dinar Today 0.30710 / 0.30720

Key Market Highlights:

- Oil prices rose on Tuesday amid renewed concerns over potential supply disruptions in the Middle East after hostilities between the United States and Iran escalated. Brent crude increased by 1.2% to $91.54 per barrel, while West Texas Intermediate (WTI) gained 1.5% to $87.03. The gains extended Monday's strong rally, during which both benchmarks reached their highest levels in weeks following President Donald Trump's warning of additional strikes against Iran after a new round of direct exchanges between the two countries. Market participants are increasingly concerned that further escalation could trigger Iranian retaliation, threatening energy infrastructure across the Gulf and disrupting shipping through the Strait of Hormuz, a critical route for global oil exports. Shipping activity in the strait has already declined significantly, with vessel traffic remaining well below historical averages. Additional concerns emerged after a tanker reported being hit by projectiles while exiting the strait, underscoring ongoing risks to maritime trade and oil flows.
- The U.S. dollar index stabilized near 99.5 on Tuesday after slipping in the previous session, as investors weighed the likelihood of further Federal Reserve rate hikes following hawkish remarks from Fed Chair Kevin Warsh and a continued rise in oil prices. Market attention is now focused on upcoming U.S. economic data, including manufacturing and services activity reports due later in the day, ahead of the closely watched August employment report on Friday. Warsh indicated that the Fed may need to tighten monetary policy further if inflation does not show sufficient progress toward the 2% target, prompting markets to increase the probability of a September rate hike to over 65%.

U.S. Dollar Index
3-Month Performance



Technical Levels	Support 2	Support 1	Spot	Resistance 1	Resistance 2
EUR	1.1505	1.1560	1.1605	1.1660	1.1710
GBP	1.3430	1.3500	1.3545	1.3600	1.3670
JPY	158.90	159.40	159.90	160.50	161.00
CHF	0.8000	0.8050	0.8095	0.8150	0.8200

Currencies	Closing	YTD %		Closing	YTD %
EUR/USD	1.1616	1.22	EUR/GBP	0.8573	1.69
GBP/USD	1.3547	0.49	GBP/JPY	216.36	2.62
USD/JPY	159.73	2.11	EUR/JPY	185.57	0.88
USD/CHF	0.8081	2.17	EUR/CHF	0.9388	0.91

Brief Technical Commentary

EUR/USD: The pair has recovered from Friday's drop to 1.1577 and continues to hold above the 1.1600 level. Currently trading around 1.1605, bullish momentum appears to have moderated following the recent rebound. Immediate support is seen at 1.1560, while resistance is at 1.1660.

GBP/USD: The pair traded modestly higher on Monday, hovering near 1.3545, as the U.S. Dollar eased from Friday's Warsh-driven rally. While the near-term bias remains supportive above key levels, upside momentum appears limited for now. Immediate support is seen at 1.3500, while resistance is near 1.3600.

Commodities	Last Price	% Change	Global Indices	Last Price	% Change
Kuwait Oil	101.37	5.20	Dow Jones	53,185.90	0.70
Brent	90.83	0.34	Nikkei 225	66,435.53	123.60
West Texas	86.37	0.61	S&P 500	7,686.14	25.62
Gold	4,489.30	7.80	KuwaitSE	8,912.38	0.17

Economic Events	Country	Event	Actual	Forecast	Previous
01-Sep-26	USD	ISM Manufacturing PMI		55.2	55.6
01-Sep-26	USD	JOLTS Job Opening		7.33M	7.36M
02-Sep-26	AUD	GDP q/q		0.3%	0.3%
02-Sep-26	NZD	Official Cash Rate		2.75%	2.5%
02-Sep-26	CAD	Overnight Rate		2.25%	2.25%
04-Sep-26	GBP	BOE Gov Bailey Speaks			
04-Sep-26	CAD	Unemployment Rate		6.4%	6.4%
04-Sep-26	USD	Average Hourly Earnings m/m		0.3%	0.1%
04-Sep-26	USD	Non-Farm Employment Change		58K	-23K
04-Sep-26	USD	Unemployment Rate		4.1%	4.1%

Local & Global Rates (%)	O/N	1-Month	3-Month	6-Month	1-Year
KWD	2.50	3.38	3.56	3.75	3.94
USD	3.65	3.71	3.80	3.94	4.11
EUR	2.16	2.29	2.57	2.76	2.98
GBP	3.73	3.75	3.81	3.93	4.17

Government Yields (%)	1-Year	2-Year	5-Year	10-Year	30-Year
United States	4.12	4.35	4.52	4.78	5.27
Germany	2.62	2.92	3.05	3.33	3.82
United Kingdom	4.35	4.57	4.67	5.20	5.85
Japan	1.52	1.79	2.25	2.99	4.16