

## Treasury Daily Newsletter

1-Jun-26

Kuwaiti Dinar Today 0.30665 / 0.30675

### Key Market Highlights:

- China's RatingDog Manufacturing PMI eased to 51.8 in May 2026 from April's more than five-year high of 52.2, but still exceeded market expectations and remained firmly in expansion territory. Growth in new orders and production moderated but stayed strong, supported by domestic demand, new customers, and product upgrades, while export orders softened slightly. Factory output continued to expand at one of the fastest rates since late 2024. Employment slipped marginally into contraction, and supplier delivery times lengthened modestly for a third consecutive month amid ongoing supply chain pressures. Input purchasing and inventory accumulation remained strong, although inflationary pressures showed signs of easing as input and output price increases slowed. Business sentiment remained positive, supported by expectations of stronger demand, higher orders, and future capacity expansion, though confidence softened slightly from recent highs.
- The US dollar index rose above 99 this morning, ending a two-day decline as uncertainty persisted over a longer-term ceasefire agreement between the US and Iran. While both sides exchanged proposals aimed at extending the ceasefire and reopening the Strait of Hormuz, progress toward a final deal appeared limited. President Trump reiterated demands for Iran to halt its nuclear program and fully restore access to the strategic waterway. Investors also focused on the upcoming US nonfarm payrolls report for insights into labor market strength and the Federal Reserve's policy outlook. Markets have increasingly shifted toward pricing in a potential Fed rate hike before year-end following a recent acceleration in inflation, reversing earlier expectations for rate cuts.

Technical Levels	Support 2	Support 1	Spot	Resistance 1	Resistance 2
EUR	1.1550	1.1600	1.1645	1.1700	1.1750
GBP	1.3350	1.3400	1.3455	1.3500	1.3550
JPY	158.50	159.00	159.45	160.00	160.50
CHF	0.7730	0.7770	0.7830	0.7880	0.7930

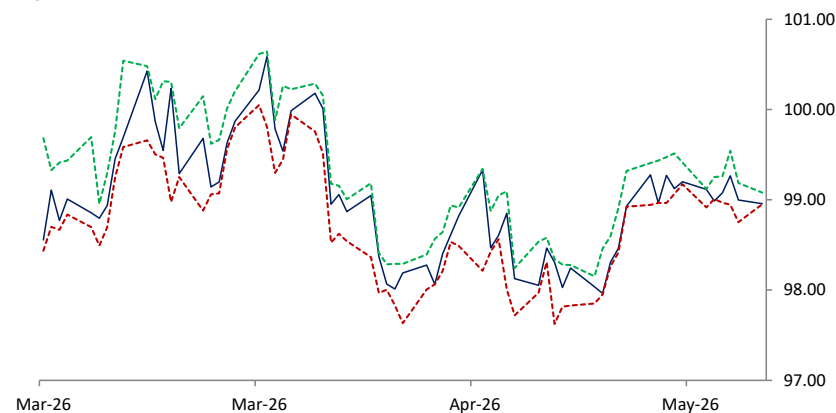
### Brief Technical Commentary

EURUSD pulled back from the Friday High of 1.1686 after comments regarding the ceasefire came out about Trump making his final decision. The pair continues to consolidate between support at 1.1550 and resistance at 1.1700.

USDJPY edges closer to 160.00, the previous level for intervention, as the +USD trade regains momentum. Support for the pair is at 159.00 followed by 158.50. Resistance is at 160.00 and a break above will take us to 160.50.

Economic Events	Country	Event	Actual	Forecast	Previous
01-Jun-26	USD	FOMC Member Powell Speaks			
01-Jun-26	USD	ISM Manufacturing PMI		53.3	52.7
02-Jun-26	EUR	Core CPI Flash Estimate y/y		2.4%	2.2%
02-Jun-26	GBP	BOE Gov Bailey Speaks			
02-Jun-26	USD	JOLTS Job Openings		6.87M	6.87M
03-Jun-26	AUD	GDP q/q		0.5%	0.8%
03-Jun-26	JPY	BOJ Gov Ueda Speaks			
03-Jun-26	USD	ISM Services PMI		53.8	53.6
04-Jun-26	CHF	CPI m/m		0.3%	0.3%
05-Jun-26	USD	Non-Farm Employment Change		95K	115K

US Dollar Index  
3-Month Performance



Currencies	Closing	YTD %	Closing	YTD %	
EUR/USD	1.1659	0.10	EUR/GBP	0.8661	0.63
GBP/USD	1.3459	0.54	GBP/JPY	214.18	1.21
USD/JPY	159.26	0.66	EUR/JPY	185.68	0.58
USD/CHF	0.7810	1.53	EUR/CHF	0.9103	1.63

Commodities	Last Price	% Change	Global Indices	Last Price	% Change
Kuwait Oil	114.48	3.66	Dow Jones	51,032.46	0.72
Brent	93.33	2.43	Nikkei 225	66,723.56	0.59
West Texas	89.89	2.53	S&P 500	7,580.06	0.21
Gold	4,519.14	0.47	KuwaitSE	8,814.48	0.01

Local & Global Rates (%)	O/N	1-Month	3-Month	6-Month	1-Year
KWD	2.38	3.44	3.63	3.75	4.00
USD	3.62	3.62	3.66	3.71	3.84
EUR	1.94	1.98	2.27	2.55	2.80
GBP	3.73	3.74	3.79	3.88	4.05

Government Yields (%)	1-Year	2-Year	5-Year	10-Year	30-Year
United States	3.77	4.03	4.17	4.46	5.02
Germany	2.36	2.55	2.68	2.97	3.52
United Kingdom	4.05	4.19	4.34	4.79	5.48
Japan	1.11	1.39	1.90	2.67	3.81