TREASURY GROUP
NATIONAL BANK OF KUWAIT

Treasury Daily Newsletter

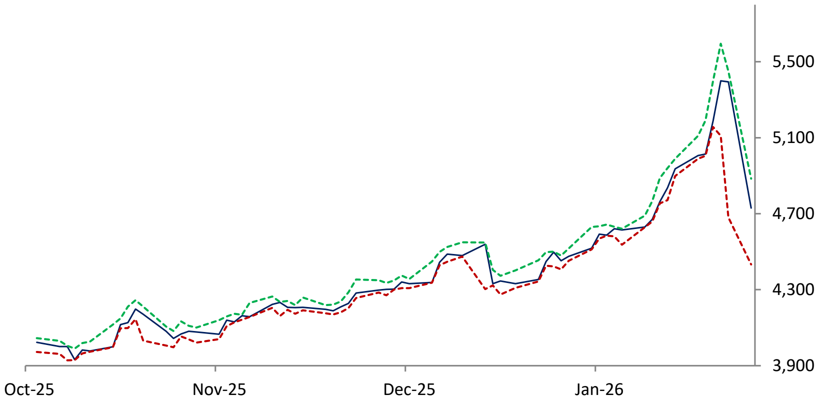
2-Feb-26

Kuwaiti Dinar Today 0.30525 / 0.30535

Key Market Highlights:

- China's RatingDog General Manufacturing PMI edged up to 50.3 in January 2026 from 50.1 in December, matching expectations and signaling a modest but improving expansion in factory activity, with growth at its fastest pace since October. Output and new orders strengthened, including a rebound in export demand, prompting firms to slightly increase hiring and boost purchasing, while supply chains remained stable. However, input costs rose sharply, driven by higher metal prices, pushing selling prices higher for the first time since late 2024. Despite the pickup in activity, business confidence fell to a nine-month low amid concerns over slowing economic growth and rising cost pressures.
- Gold fell over 6% to below $4,550 per ounce at the time of writing, extending losses after suffering its sharpest drop in more than a decade. The selloff was triggered by reports that Donald Trump plans to nominate Kevin Warsh, seen as a more hawkish candidate, to lead the Federal Reserve, dampening expectations for easier monetary policy. The decline was also driven by profit-taking following gold's strong rally to record highs, which had been supported by robust central bank demand, safe-haven flows, and the "debasement trade" as investors shifted away from currencies and bonds amid rising debt concerns. Heavy speculative buying, particularly from retail and leveraged investors, had further inflated the rally and intensified the subsequent pullback as positions were unwound.

XAU/USD
3-Month Performance



Technical Levels	Support 2	Support 1	Spot	Resistance 1	Resistance 2
EUR	1.1750	1.1800	1.1860	1.1920	1.1970
GBP	1.3570	1.3630	1.3680	1.3730	1.3800
JPY	154.00	154.45	154.90	155.50	156.00
CHF	0.7610	0.7670	0.7720	0.7770	0.7820

Currencies	Closing	YTD %		Closing	YTD %
EUR/USD	1.1848	0.97	EUR/GBP	0.8660	0.55
GBP/USD	1.3688	1.55	GBP/JPY	211.71	0.30
USD/JPY	154.76	1.07	EUR/JPY	183.37	0.27
USD/CHF	0.7729	2.49	EUR/CHF	0.9160	1.56

Brief Technical Commentary

EURUSD traded to a low of 1.1840 at open after the USD's appreciation on the news of the new Fed chair, Kevin Walsh. The pair is supported at 1.1800. resistance for the pair is at 1.1920 followed by 1.1970.

The yen is currently approaching the 155 level, which has been a notable intervention risk level. Resistance is currently at 155.50 followed by 156.00. Support is at 154.45 and 154.00.

Commodities	Last Price	% Change	Global Indices	Last Price	% Change
Kuwait Oil	62.55	5.33	Dow Jones	48,892.47	0.36
Brent	65.63	5.40	Nikkei 225	52,734.08	1.10
West Texas	61.54	5.63	S&P 500	6,939.03	0.43
Gold	4544..08	6.54	KuwaitSE	8,668.95	0.14

Economic Events	Country	Event	Actual	Forecast	Previous
02-Feb-26	USD	ISM Manufacturing PMI		48.5	47.9
03-Feb-26	AUD	Cash Rate		3.85%	3.60%
03-Feb-26	USD	JOLTS Job Openings		7.21M	7.15M
04-Feb-26	NZD	Unemployment Rate		5.3%	5.3%
04-Feb-26	EUR	Core CPI Flash Estimate y/y		1.8%	1.9%
04-Feb-26	USD	ADP Non-Farm Employment Change		48K	41K
04-Feb-26	USD	ISM Services PMI		53.6	54.4
05-Feb-26	GBP	Official Bank Rate		3.75%	3.75%
05-Feb-26	EUR	Main Refinancing Rate		2.15%	2.15%
06-Feb-26	USD	Non-Farm Employment Change		67K	50K

Local & Global Rates (%)	O/N	1-Month	3-Month	6-Month	1-Year
KWD	1.88	3.38	3.56	3.69	3.88
USD	3.65	3.67	3.66	3.62	3.49
EUR	1.93	1.97	2.03	2.16	2.23
GBP	3.72	3.73	3.72	3.64	3.55

Government Yields (%)	1-Year	2-Year	5-Year	10-Year	30-Year
United States	3.44	3.51	3.77	4.22	4.87
Germany	1.92	2.06	2.41	2.83	3.49
United Kingdom	3.49	3.70	3.94	4.53	5.28
Japan	1.02	1.25	1.64	2.23	3.64