

Treasury Daily Newsletter

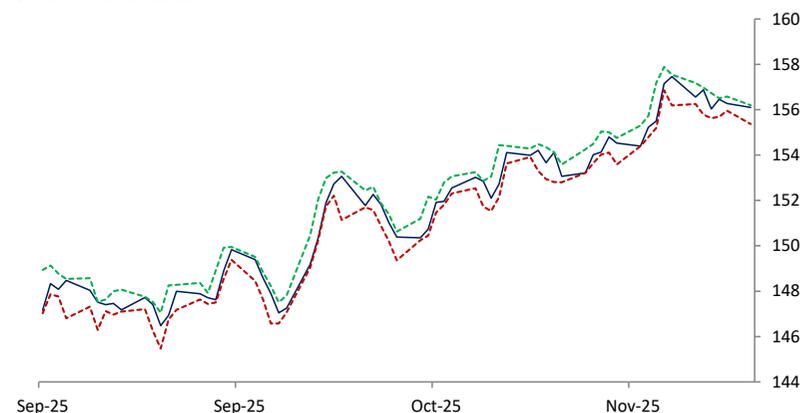
1-Dec-25

Kuwaiti Dinar Today 0.30585 / 0.30595

Key Market Highlights:

- Tokyo consumer prices excluding fresh food increased 2.8% YoY in November, marginally above the 2.7% consensus and unchanged from October, with electricity costs offsetting slower processed food inflation. Core CPI excluding energy also remained at 2.8% YoY, whilst services inflation rose 1.5% YoY. Rice prices increased 37.9%, continuing to moderate from April's peak of 93.8%. Industrial production grew 1.4% MoM in October versus expectations of a 0.6% decline, driven by stronger car output following lower US tariffs and firm demand for information and communications equipment. Labour market indicators were stable, with unemployment at 2.6%. Meanwhile, two-year JGB yields have risen to 1.023%, the highest since 2008, as markets anticipate a rate hike by the Bank of Japan as early as January.
- Canada's economy expanded at an annualised rate of 2.6% in Q3, rebounding from a 1.8% contraction in Q2, according to Statistics Canada. Growth was supported by a 6.7% rise in residential investment, led by housing resales, and a 12.2% increase in government capital spending on defence. In contrast, household consumption fell 0.4%, its first decline since 2021, whilst private non-residential, machinery, and equipment investment dropped 4.5% YoY. Exports grew 0.7% QoQ, recovering partially from a 25% plunge in Q2, whilst imports fell sharply by 8.6%, the largest drop since 2022. Government bond yields rose on the data, with two-year yields at 2.430%, as the Canadian dollar strengthened. Swap markets anticipate the Bank of Canada will hold its 2.25% policy rate at the December meeting.

USD/JPY 3-Month Performance



Technical Levels	Support 2	Support 1	Spot	Resistance 1	Resistance 2
EUR	1.1490	1.1530	1.1600	1.1660	1.1730
GBP	1.3035	1.3145	1.3230	1.3300	1.3370
JPY	154.00	154.80	155.50	156.75	157.90
CHF	0.7930	0.8000	0.8040	0.8125	0.8200

Currencies	Closing	YTD %	Closing	YTD %	
EUR/USD	1.1595	11.97	EUR/GBP	0.8757	6.00
GBP/USD	1.3236	5.62	GBP/JPY	206.64	4.57
USD/JPY	156.15	0.76	EUR/JPY	181.10	10.56
USD/CHF	0.8037	11.34	EUR/CHF	0.9317	0.72

Brief Technical Commentary

The EURUSD price rose in last intraday trading reaching key resistance of 1.1615, taking advantage of the dynamic support due to its trading above the 4H EMA50. The pair is trading at 1.1600, support levels are (1.1490-1.1530)

The USDJPY slipped lower in its last intraday trading, the pair broke main bullish trend on the short-term basis. The pair is trading at 155.50, support levels are (154.00-154.80).

Economic Events	Country	Event	Actual	Forecast	Previous
30-Nov-25	CNY	Manufacturing PMI	49.2	49.2	49
1-Dec-25	JPY	BOJ Gov Ueda Speaks			
1-Dec-25	USD	ISM Manufacturing PMI		49	48.7
1-Dec-25	USD	Fed Chair Powell Speaks			
2-Dec-25	EUR	CPI Flash Estimate y/y		2.1%	2.1%
3-Dec-25	CHF	CPI m/m		-0.2%	-0.3%
3-Dec-25	USD	ADP Non-Farm Employment Change		19K	42K
3-Dec-25	USD	ISM Services PMI		52	52.4
4-Dec-25	USD	Unemployment Claims		220K	216K
5-Dec-25	USD	Core PCE Price Index m/m		0.2%	0.2%

Commodities	Last Price	% Change	Global Indices	Last Price	% Change
Kuwait Oil	63.67	1.80	Dow Jones	47,716.42	0.61
Brent	63.61	1.97	Nikkei 225	49292.97	1.91
West Texas	59.75	2.07	S&P 500	6,849.09	0.53
Gold	4,228.20	0.05	KuwaitSE	8,865.59	0.11

Local & Global Rates (%)	O/N	1-Month	3-Month	6-Month	1-Year
KWD	2.13	3.63	3.81	4.00	4.13
USD	4.05	3.86	3.79	3.70	3.51
EUR	1.89	1.95	2.06	2.11	2.21
GBP	3.97	3.89	3.79	3.71	3.60

Government Yields (%)	1-Year	2-Year	5-Year	10-Year	30-Year
United States	3.56	3.49	3.61	4.04	4.70
Germany	1.83	2.02	2.29	2.70	3.31
United Kingdom	3.69	3.73	3.89	4.44	5.19
Japan	0.80	1.01	1.37	1.87	3.38