

Market Commentary

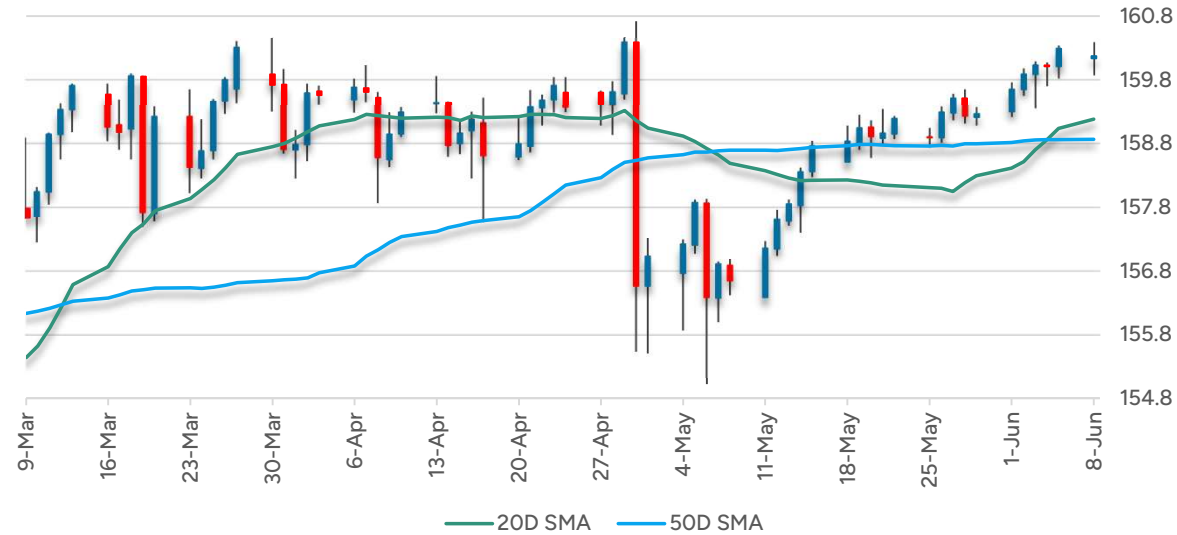
KFH Treasury

Report produced on
09-Jun-2026



Forex Market

JAPANESE YEN



CLOSE
160.17

1M %chg
2.25%

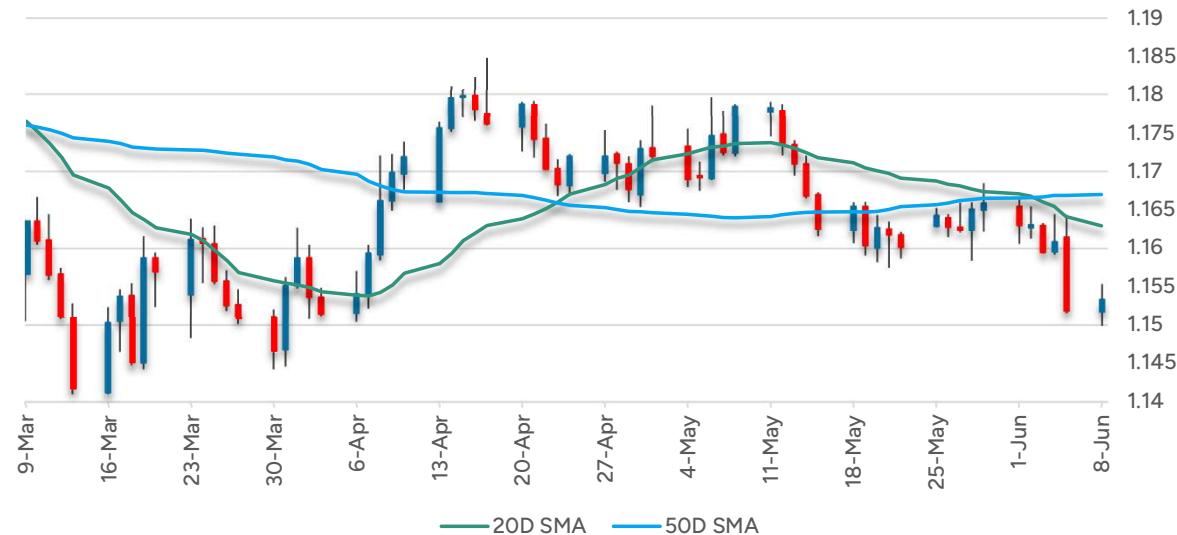
3M %chg
1.60%

USD/JPY consolidation on/around 160.00 continuing

09 Jun 2026 04:20:19 AM

- * USD/JPY continues to consolidate on or around 160.00, Asia 160.14-22 EBS
- * Follows 159.85-160.39 range yesterday, no Japan intervention but threat on
- * Daily chart shows support from 159.68 Ichimoku tenkan line
- * Hourly tenkan 160.15 ahead, kijun 160.12, hourly cloud 159.97-160.07
- * \$1.9 bln 159.00-50 option expiries today, supportive
- * \$1.4 bln 160.00-25 strikes to contain spot? \$1.2 bln 160.50-161.00 above
- * Market still expects BOJ to hike by only 25 bps, outlier for more however
- * Middle East developments still a concern, Ukraine-Russia too
- * Geopolitical factors to continue to boost USD haven demand

EURO



CLOSE
1.1534

1M %chg
-2.12%

3M %chg
-0.88%

EUR/USD heavy still but crosses mixed

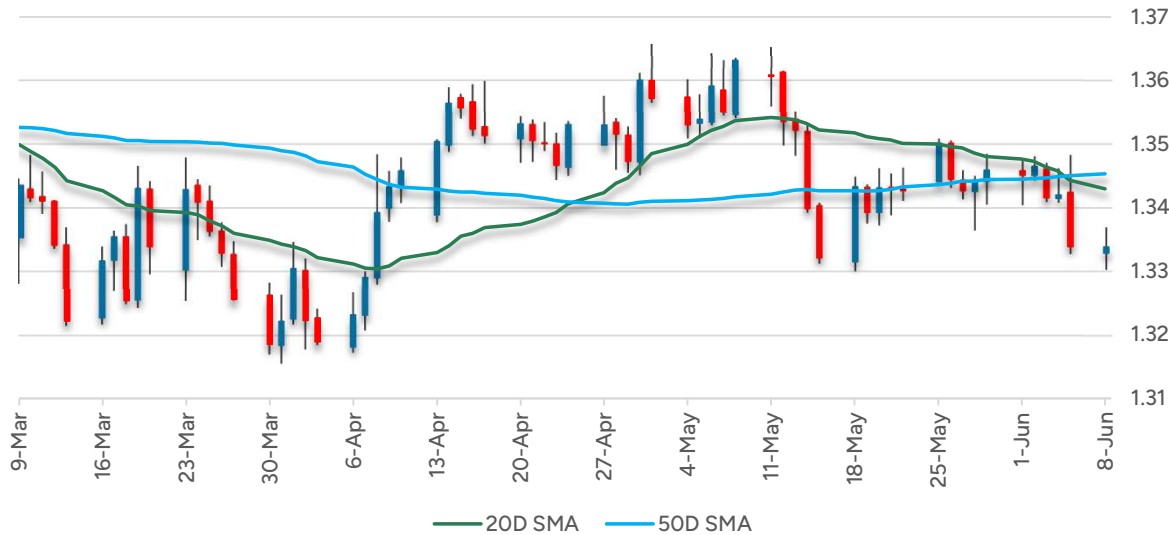
09 Jun 2026 07:28:40 AM

- * EUR/USD remains on back-foot, heavy, Asia 1.1528-40 EBS, yesterday 1.1500-55
- * Looks to remain an inside day for now, option expiries again to contain spot
- * Today 1.1400-70 E1.6 bln, 1.1500-80 E5.4 bln, E1.5 bln 1.1500-10 alone
- * EUR/GBP also heavy, 0.8642-46, in recent, lower 0.8631-56 since June 4
- * Some option expiries today below at 0.8550/75, above between 0.8745-50
- * EUR/JPY up some from 184.00 EBS low yesterday, Asia today 184.67-85
- * Holding below wafer thin 184.95-185.03 daily Ichimoku cloud just above
- * EUR/CHF best bid of lot, 0.9202-03 EBS, at top of 0.9123-0.9204 daily cloud

Forex Market



POUND STERLING



CLOSE

1.3338

1M %chg

-2.16%

3M %chg

-0.72%

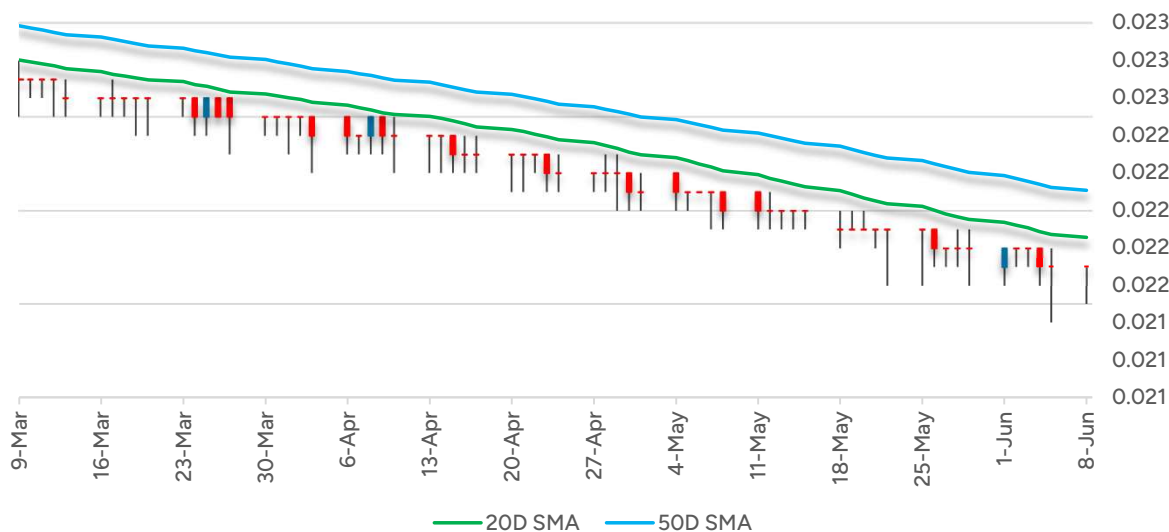
GBP/USD-Better bid after holding support, upside limited

09 Jun 2026 07:27:24 AM

- * GBP/USD inches higher in Asia after test of 1.3304, May 18 low, held Mon
- * But recovery thwarted by former support turned resistance at 1.3368
- * Higher U.S. yields, rising Fed rate hike expectations limit GBP upside
- * Cautious trading likely as event risks loom; UK April GDP due Fri
- * U.S. CPI Wed, PPI Thu key for Fed policy expectations
- * 1.3300 loss opens 1.3278, 76.4% of March-May rally, followed by 1.3210-20
- * Resistance 1.3370, 1.3405-10; Mon range 1.33065-1.33685, Asia 1.3331-1.3352



TURKISH LIRA



CLOSE

0.0217

1M %chg

-1.36%

3M %chg

-4.41%

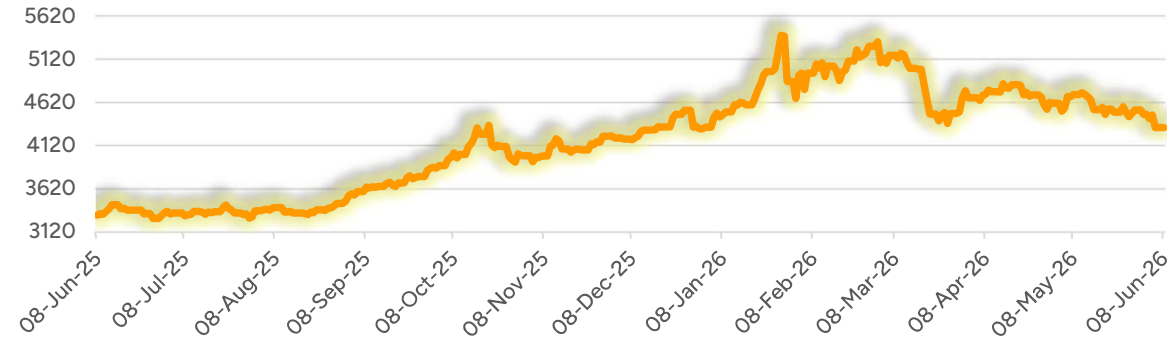
Turkey - Factors to Watch

09 Jun 2026 08:20:57 AM

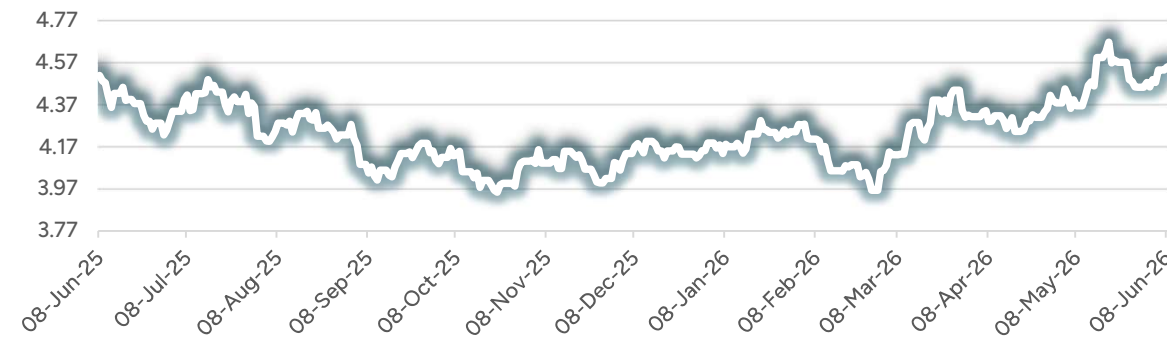
ISTANBUL, June 9 (Reuters) - The lira TRYTOM=D3 was quoted at 46.1175-46.1200 against the U.S. dollar, compared with a close of 46.1025 on Monday. The BIST 100 index closed 1.22% higher at 13,860.59 points on Monday.

Gold, US Treasury & Dollar Index

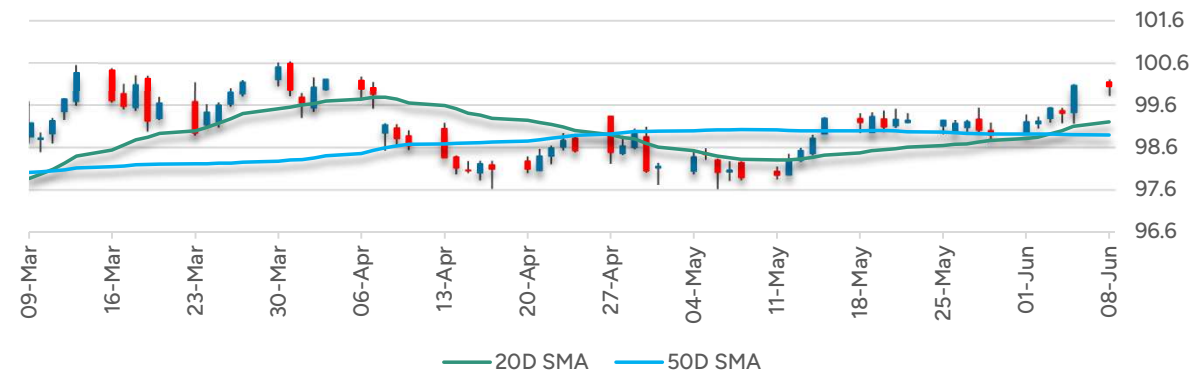
GOLD



10Y US-TREASURY



DOLLAR INDEX



US 10YT YIELD

4.57

1M %chg

4.63%

3M %chg

10.45%

PRECIOUS-Gold steady as traders weigh Israel-Iran ceasefire, inflation risks

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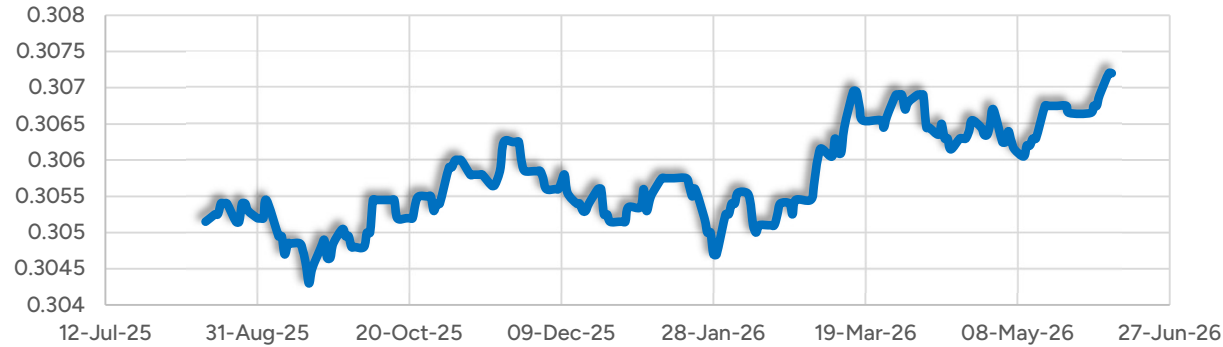
June 9 (Reuters) - Gold prices were largely steady on Tuesday as traders assessed a fragile ceasefire between Israel and Iran and also watched out for signs of progress in the broader Middle East conflict, with concerns over inflation and interest rate hikes in focus. Spot gold XAU= was up 0.1% at \$4,333.91 per ounce. In the previous session, bullion touched its lowest point in more than two months. U.S. gold futures GCc1 for August delivery were down 0.1% at \$4,358.80. Goldman Sachs said it expects the U.S. Federal Reserve to keep interest rates unchanged through 2026 and delay rate cuts until 2027, citing stronger economic activity and jobs growth. Traders are now pricing in a more than 70% chance of a Fed rate hike by December, according to the CME FedWatch tool. Spot silver XAG= fell 0.5% to \$67.85 per ounce, platinum XPT= lost 0.1% to \$1,752.45, while palladium XPD= rose 1% to \$1,216.42.

UPCOMING KEY ECONOMIC INDICATOR RELEASES

INDICATOR	Ctry / Regn	Time	For	Prior	Consensus
Broad Money	JP	09/Jun 02:50	May	2282.6Tn¥	
M2 Money Supply	JP	09/Jun 02:50	May	12886601¥	
Existing Home Sales	US	09/Jun 17:00	May	4.02Mn	4.07Mn
Corp Goods Price MM	JP	10/Jun 02:50	May	2.30%	0.50%
Corp Goods Price YY	JP	10/Jun 02:50	May	4.90%	5.50%
CPI MM, SA	US	10/Jun 15:30	May	0.60%	0.50%
CPI Wage Earner	US	10/Jun 15:30	May	326.541	
CPI YY, NSA	US	10/Jun 15:30	May	3.80%	4.20%
Core CPI MM, SA	US	10/Jun 15:30	May	0.40%	0.30%
Core CPI YY, NSA	US	10/Jun 15:30	May	2.80%	2.90%
ECB Deposit Rate	EU	11/Jun 15:15	Jun	2.00%	2.25%

Daily Market Report

KWD - CBK FIX



MARKET SUMMARY

INSTRUMENT	OPEN	HIGH	LOW	CLOSE	%CHG 1D
EUR	1.1518	1.1554	1.1499	1.1534	0.13%
GBP	1.3329	1.3369	1.3302	1.3338	-0.01%
JPY	160.14	160.39	159.87	160.17	-0.07%
TRY	0.0217	0.0217	0.0215	0.0217	0.00%
Dollar Idx	100.145	100.214	99.819	100.045	-0.02%
Brent	95.5	98.08	93.64	94.25	1.25%
WTC	95.34	96.13	94.14	95	0.72%
Gold	4329.21	4352.79	4268.39	4328.59	0.00%
KWSE Index	8714.67	8716.2	8607.46	8610.49	-1.31%

KIBOR RATES

Tenor	Value	Tenor	Value
ON	2.38	3M	3.56
SW	3.25	6M	3.75
1M	3.44	1Y	4.00

CENTRAL BANK OF KUWAIT

KWD (CBK FIX) CLOSE

0.30725

3M% CHG

0.29%

POLICY RATES INDICATOR

As of	Value	Prior	Change
11/Dec/'25	3.13	3.38	-0.25
11/Dec/'25	3.38	3.63	-0.25
11/Dec/'25	3.63	3.88	-0.25
11/Dec/'25	10.00	10.00	0.00
11/Dec/'25	3.50	3.75	-0.25

SOFR RATES

Tenor	Value	Tenor	Value
1M	3.61	6M	3.71
3M	3.65	1Y	3.85

OTHER C-BANK RATES

INDICATOR	As of	Value	Prior	Change
FED Target Rate	10/Dec/'25	3.75	4.00	-0.25
ECB Refinancing Rate	30/Apr/'26	2.15	2.15	0.00
BOE Bank Rate	19/Jun/'25	4.25	4.25	0.00
BOJ Prime Rate	08/May/'26	3.05	3.00	0.05
TRY ON Lending Rate	22/Jan/'26	40.00	41.00	-1.00

KEY INTERNATIONAL STORIES

US public's inflation expectations largely unchanged in May, New York Fed survey shows

June 8 (Reuters) - The U.S. public's inflation outlook was little changed in May despite the strong upward pressure on prices resulting from the war in the Middle East, a survey released by the New York Federal Reserve showed on Monday. Inflation a year from now was expected to be 3.5% versus 3.6% in April, while respondents saw inflation three years and five years from now at 3.1% and 3.0%, respectively. While the projected path of price pressures was little changed in May, the regional Fed bank's survey found that uncertainty over future inflation rose over near-term measures.

UK home prices to rise less than previously thought on fears of higher borrowing costs

LONDON, June 8 (Reuters) - British home prices will rise less than previously predicted this year and dip in the once flourishing London market as expectations for higher borrowing costs and rampant inflation shut the door for many potential buyers, a Reuters poll of housing analysts found. The average cost of buying a property will increase 1.8% this year, less than the 2.5% seen three months ago, the May 26-June 8 poll found. Median forecasts for 2027 and 2028 were unchanged at a 3.0% rise. Prices in London - will fall 0.3% this year but recover and rise 2.0% in 2027 and 3.0% in 2028, the poll found.

Euro zone investor morale recovers more than expected in June, Sentix survey shows

BERLIN, June 8 (Reuters) - The Sentix index measuring investor morale in the euro zone recovered more than expected in June, as concerns about a sharp economic slowdown eased after a sentiment slump triggered by the Iran conflict and surging oil prices. The headline index rose by 3.0 points to -13.4, while economic expectations more strongly, gaining 4.8 points. Sentix warned that the euro zone recovery remains relatively subdued compared with other major regions. Germany continues to lag behind, with the current conditions index slipping by a further 0.2 points to its lowest level since February 2025.

Japan revises Q1 GDP down to annualised 1.8% expansion

TOKYO, June 8 (Reuters) - Japan's economy grew slower than initially estimated in the January-March quarter from the previous three months, dragged by weak capital expenditure, revised data showed on Monday. The figure released by the Cabinet Office showed the economy expanded an annualised 1.8% in the first quarter, compared with the initially estimated 2.1%. Economists' median forecast was for 1.3% growth. Without annualization, GDP grew 0.5%, slightly better than the median forecast for a 0.3% expansion and matching the preliminary figure. Private consumption, increased 0.3%, also matching the initial data.

Mexico inflation likely slowed again in May, still above cenbank target

MEXICO CITY, June 8 (Reuters) - Mexico's annual inflation likely slowed in May, a Reuters poll showed on Monday, reinforcing expectations that the central bank will maintain its interest rate at current levels for an extended period. The median estimate from 15 analysts projected annual headline inflation falling to 4.03% from 4.45% in April. If confirmed, the reading would mark a second consecutive month of decline, though it remains above the central bank's target of 3%, plus or minus one percentage point. On a monthly basis, headline consumer prices are estimated to have fallen 0.12%, driven primarily by seasonal electricity subsidies.

Oil falls as investors await clarity after Iran-Israel halt attacks

SINGAPORE, June 9 (Reuters) - Oil prices fell on Tuesday, erasing most of the previous session's gains, after Iran and Israel said they had halted attacks on each other following an appeal from U.S. President Donald Trump, though both sides warned they could resume hostilities. Brent crude futures LCOc1 were down 91 cents, or 1%, at \$93.34 a barrel, while U.S. West Texas Intermediate CLc1 declined \$1.13, or 1.2%, at \$90.17 a barrel. Prices climbed as much as 5% in the previous session after renewed Israeli strikes on Iran and attacks in Lebanon reduced hopes of an imminent end to the wider war.

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