

# Market Commentary

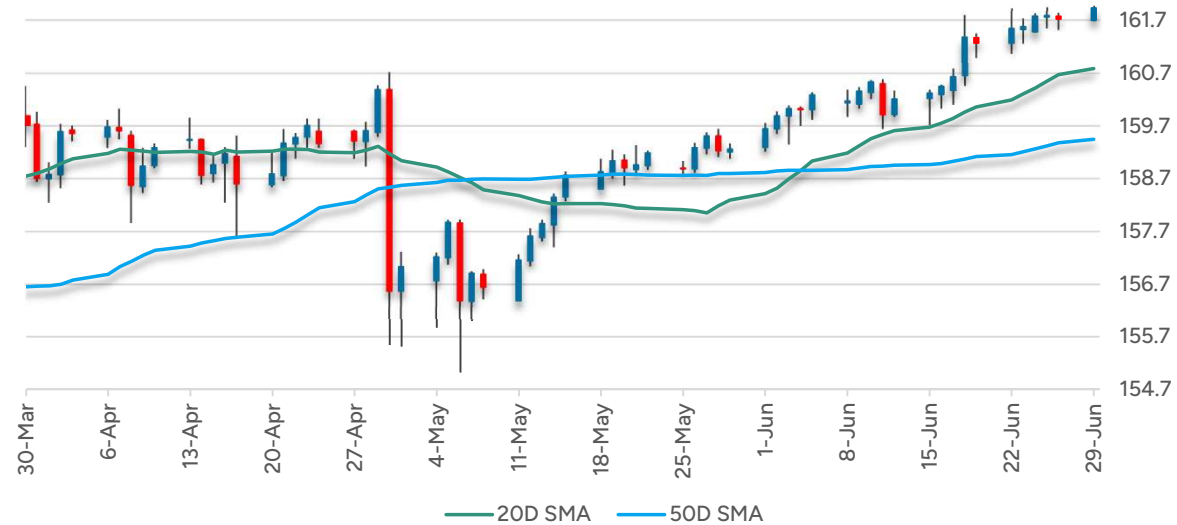
## KFH Treasury

Report produced on  
30-Jun-2026



# Forex Market

## JAPANESE YEN



CLOSE  
**161.94**

1M %chg  
**1.68%**

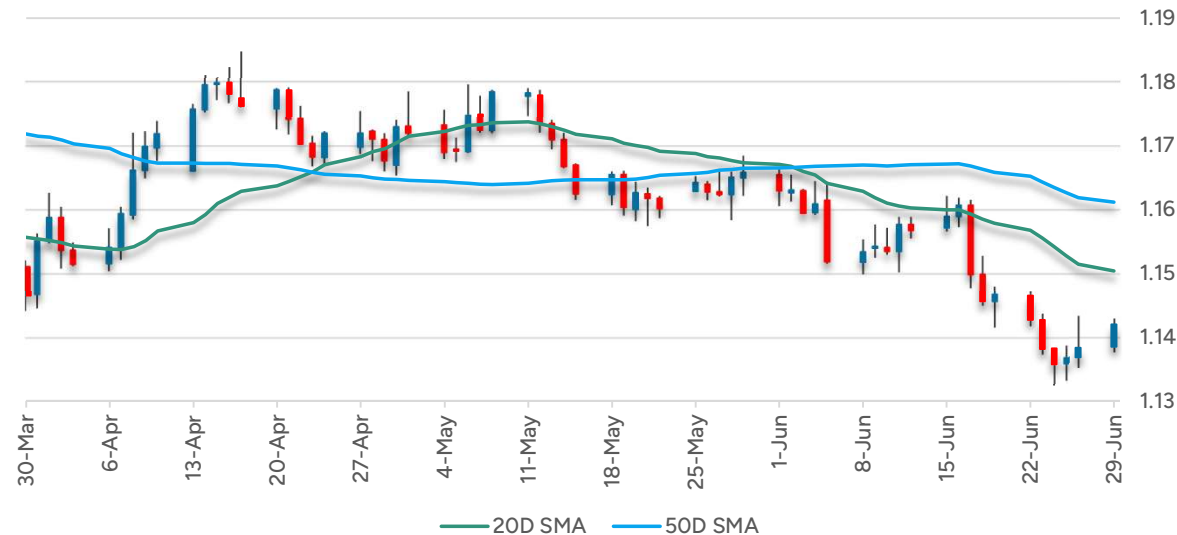
3M %chg  
**1.39%**

### USD/JPY to fresh 40-year high, drags most JPY crosses up

30 Jun 2026 08:07:22 AM

- \* USD/JPY to fresh 40-year high of 162.41 EBS, earlier low 161.91
- \* Lack of Japan FX intervention prior to move helped
- \* Perhaps broad USD strength factor in not acting on FX market
- \* Jaw-boning from Chief CabSec Kihara and FinMin Katayama post-move
- \* Option KO at 162.00 effectively history, more above at 163, 164, 165?
- \* Market chatter suggest barriers at 165.00 especially massive
- \* 162 likely new equilibrium sans intervention, follows 159, 160, 161
- \* Support seen from around 162.00, increased Japan importer demand eyed

## EURO



CLOSE  
**1.1420**

1M %chg  
**-2.05%**

3M %chg  
**-0.39%**

### EUR/USD heavy, most crosses too, EUR/JPY outlier

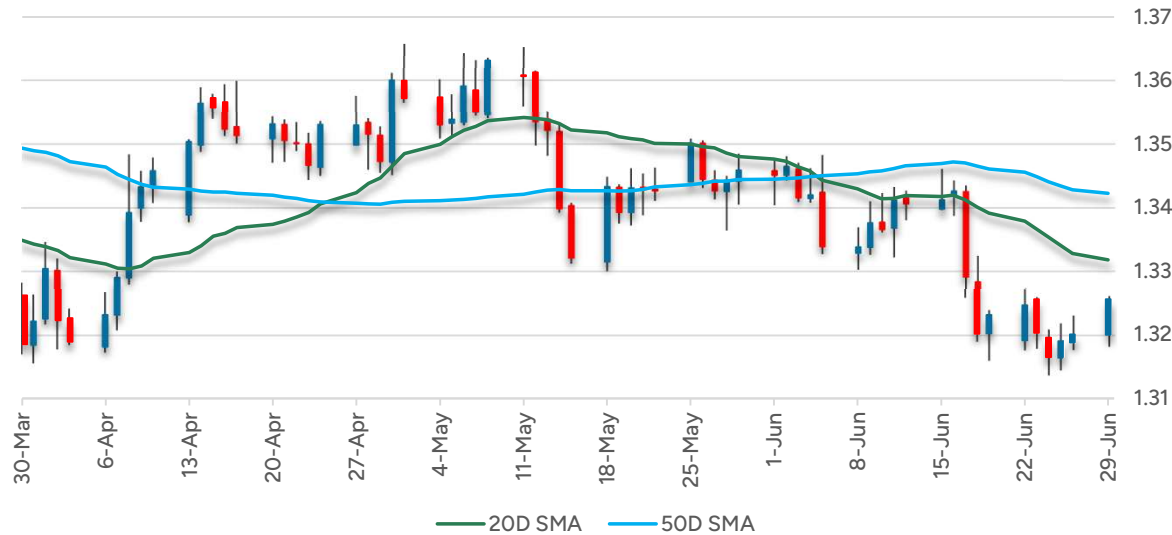
30 Jun 2026 07:11:34 AM

- \* EUR/USD heavy in Asia on USD/JPY-led USD strength, 1.1426 to 1.1402 EBS
- \* Off after 1.1380 to 1.1430 rally yesterday, ceiling seems to be falling
- \* Recent peak 1.1434 Friday, could be new ceiling
- \* Still above 1.1383-89 hourly Ichimoku cloud, descending 200-HMA 1.1413 above
- \* Above E4 bln between 1.1405-80, another E1.2 bln up at 1.1500 strike
- \* Below E3.6 bln between 1.1300-90 strikes
- \* EUR/GBP heavy after volatility yesterday, today indicated at 0.8619
- \* Range yesterday 0.8613-85, seems moves up roundly rejected

# Forex Market



## POUND STERLING



CLOSE

**1.3256**

1M %chg

**-1.51%**

3M %chg

**0.54%**

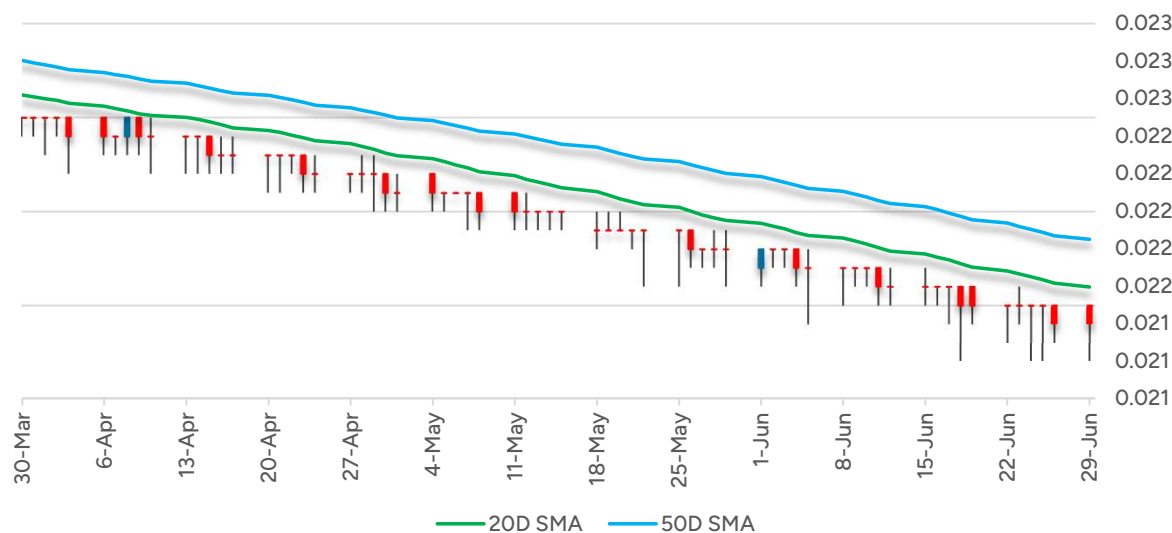
### GBP/USD drifts lower in Asia ahead GDP update

30 Jun 2026 06:45:16 AM

- \* GBP/USD -0.2% Tue as anticipation for key U.K. growth reading mounts
- \* U.K. Q1 GDP due Tue, Reuters poll consensus +0.6% q/q, +1.1% y/y
- \* Andy Burnham vows to deliver change in U.K. if he becomes PM as expected
- \* Stimulating growth without a government borrowing blowout the key challenge
- \* GBP drifting sideways, break below 1.3140 needed to resume downtrend
- \* U.S.-Iran peace talks in Qatar Tue uncertain to proceed amid mixed messaging
- \* U.S. Jun non-farm payrolls due Thur, Reuters poll consensus +110k
- \* Range Asia 1.3236-605, support 1.3140 1.3040, resistance 1.3275 1.3867



## TURKISH LIRA



CLOSE

**0.0214**

1M %chg

**-1.83%**

3M %chg

**-4.89%**

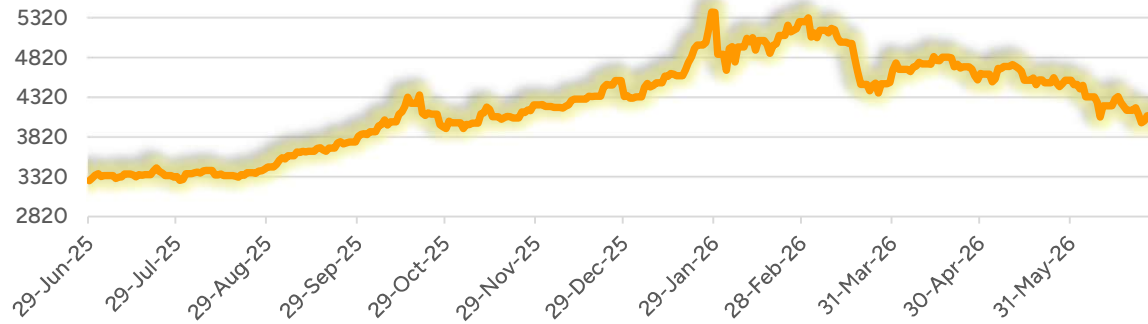
### Turkey - Factors to Watch

29 Jun 2026 08:20:00 AM

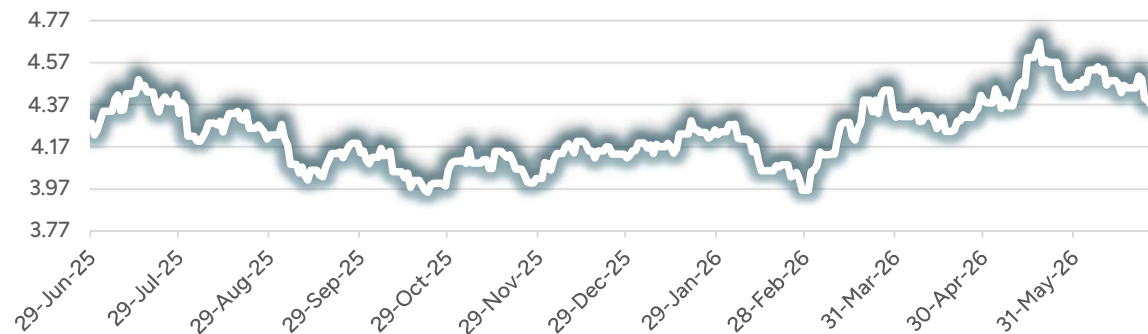
ISTANBUL, June 29 (Reuters) - The lira was quoted at 46.6305-46.6425 against the U.S. dollar, compared with a close of 46.6250 on Friday. The BIST 100 index closed 0.10% higher at 14,274.02 points on Friday.

# Gold, US Treasury & Dollar Index

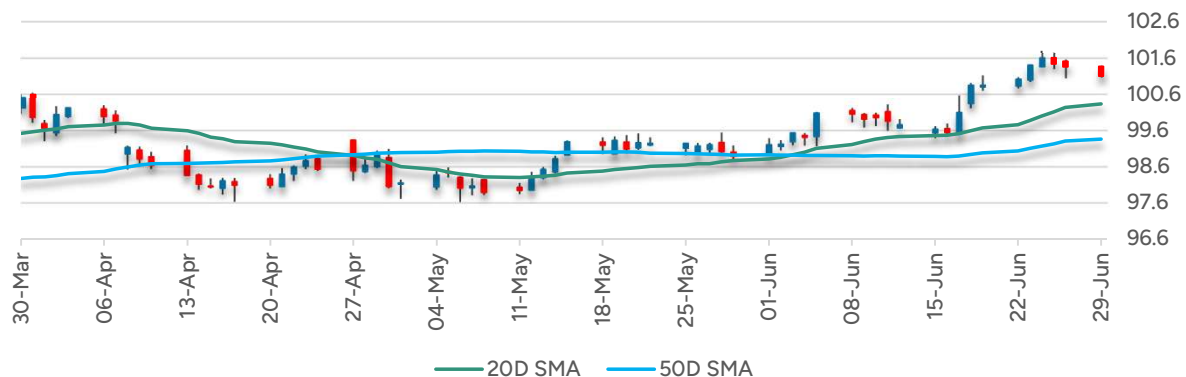
## GOLD



## 10Y US-TREASURY



## DOLLAR INDEX



US 10YT YIELD

**4.38**

1M %chg

**-1.72%**

3M %chg

**0.79%**

### PRECIOUS-Gold faces biggest monthly drop since late 2008 on hawkish Fed stance

30 Jun 2026 08:44:47 AM

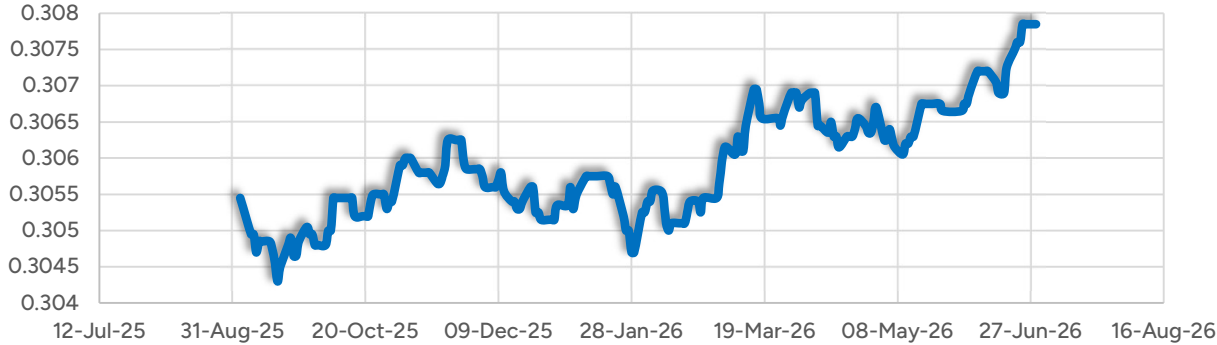
June 30 (Reuters) - Gold prices slipped more than 1% and were on track for their biggest monthly decline since October 2008, as uncertainty in the Middle East gave way to expectations of U.S. interest rate hikes to tame elevated inflation. Spot gold XAU= was down 1% at \$3,975.04 per ounce, shedding 12.4% so far in the month in what could be its fourth consecutive monthly fall. U.S. gold futures GCcv1 for August delivery lost 1.2% to \$3,988.60. While gold is traditionally seen as a hedge against inflation, it loses its appeal in a high-interest-rate environment. Traders expect three Federal Reserve rate hikes this year and are currently pricing in about a 64% chance of a September increase, according to the CME FedWatch Too. The dollar strengthened and was headed for a second monthly gain, making greenback-priced bullion more expensive for holders of other currencies. Spot silver XAG= fell 1.6% to \$57.35 per ounce, platinum XPT= lost 0.5% to \$1,566.90 and palladium XPD= gained 0.5% to \$1,219.55.

### UPCOMING KEY ECONOMIC INDICATOR RELEASES

INDICATOR	Ctry / Regn	Time	For	Prior	Consensus
Jobs/Applicants Ratio	JP	30/Jun 02:30	May	1.18	1.18
Unemployment Rate	JP	30/Jun 02:30	May	2.50%	2.50%
Industrial O/P Prelim MM SA	JP	30/Jun 02:50	May	0.50%	1.10%
GDP QQ	GB	30/Jun 09:00	Q1 2026	0.60%	0.60%
GDP YY	GB	30/Jun 09:00	Q1 2026	1.10%	1.10%
Consumer Confidence	US	30/Jun 17:00	Jun	93.1	94.6
Tankan All Big Capex Est	JP	01/Jul 02:50	Q2 2026	3.30%	10.50%
Tankan All Sm Capex Est	JP	01/Jul 02:50	Q2 2026	-8.10%	-4.50%
Tankan Big Mf Idx	JP	01/Jul 02:50	Q2 2026	17	16
Tankan Big Mf Outlook DI	JP	01/Jul 02:50	Q2 2026	14	13
Tankan Big Non-Mf Idx	JP	01/Jul 02:50	Q2 2026	36	35

# Daily Market Report

## KWD - CBK FIX



## MARKET SUMMARY

INSTRUMENT	OPEN	HIGH	LOW	CLOSE	%CHG 1D
EUR	1.1385	1.143	1.1377	1.142	0.33%
GBP	1.32	1.3262	1.3182	1.3256	0.42%
JPY	161.71	161.97	161.68	161.94	0.13%
TRY	0.0215	0.0215	0.0212	0.0214	0.00%
Dollar Idx	101.368	101.394	101.071	101.105	-0.25%
Brent	73.14	73.5	71.83	73.15	1.61%
WTC	71.19	72.2	70.88	71.87	2.23%
Gold	4086.6599	4086.6599	4000.49	4016.0247	-1.77%
KWSE Index	8701.88	8763.34	8701.78	8750.69	0.65%

## KIBOR RATES

Tenor	Value	Tenor	Value
ON	2.50	3M	3.56
SW	3.19	6M	3.75
1M	3.38	1Y	3.94

## CENTRAL BANK OF KUWAIT

KWD (CBK FIX) CLOSE

**0.30790**

3M% CHG

**0.31%**

POLICY RATES INDICATOR	As of	Value	Prior	Change
ON Repo Rate	11/Dec/'25	3.13	3.38	-0.25
1W Repo Rate	11/Dec/'25	3.38	3.63	-0.25
1M Repo Rate	11/Dec/'25	3.63	3.88	-0.25
KWD ON Rate	11/Dec/'25	10.00	10.00	0.00
Discount Rate	11/Dec/'25	3.50	3.75	-0.25

## SOFR RATES

Tenor	Value	Tenor	Value
1M	3.64	6M	3.85
3M	3.73	1Y	3.99

## 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	11/Jun/'26	2.40	2.15	0.25
BOE Bank Rate	19/Jun/'25	4.25	4.25	0.00
BOJ Prime Rate	10/Jun/'26	3.15	3.05	0.10
TRY ON Lending Rate	22/Jan/'26	40.00	41.00	-1.00

## KEY INTERNATIONAL STORIES

### Fed to hold rates this year, economists say, defying market bets for hikes

June 26 (Reuters) - The U.S. Federal Reserve will hold its benchmark interest rate steady for the rest of this year, defying financial market pricing for two hikes, according to an even larger majority of economists polled by Reuters. Inflation is running above 4%, the highest in more than three years and double the Fed's target, alongside solid growth and improving labour market conditions. But oil prices have fallen close to where they were in February, before the U.S.-Israeli war with Iran began. The central bank held rates steady at 3.50% to 3.75% this month, as widely expected.

### UK mortgage approvals fall by most since December 2023, Bank of England data shows

LONDON, June 29 (Reuters) - British lenders approved the fewest mortgages since December 2023 in May and consumer lending grew less than expected, according to Bank of England data that laid bare the impact of higher borrowing costs caused by the U.S.-Israeli war on Iran. The BoE said on Monday that 56,205 mortgages were approved last month, down from 66,034 in April. Economists polled by Reuters had expected 62,900 approvals during the month. Net unsecured lending to consumers rose by £1.662 billion (\$2.19 billion) on the month, below economists' forecast of a £1.8 billion increase.

### Central bank sees no need for extra measures as worried Russians withdraw cash

MOSCOW, June 26 (Reuters) - Russia's central bank said on Friday there was no need for extra measures to stabilise the banking system, despite a rise in cash withdrawals that some have blamed on worries about internet shutdowns and possible disruptions to payment systems. The central bank, which did not refer to the web shutdowns told Reuters it was giving banks enough support to cope with a resulting liquidity deficit. The amount of cash being held outside banks has grown by 17.5% year-on-year to over 19 trillion roubles (\$243.14 billion) so far this year, according to central bank data.

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### Japan's May factory output growth lagged forecasts

TOKYO, June 30 (Reuters) - Japan's factory output rose at a slower-than-expected pace in May from the previous month, government data showed on Tuesday. Industrial output grew 0.5% in May from the previous month, versus the median market forecast for a 1.1% rise, according to the Ministry of Economy, Trade and Industry. It marked the second month of growth. Manufacturers surveyed by the ministry expect seasonally adjusted output to increase 3.7% in June and stay flat in July. In May, transport equipment production rose 4.6% month-on-month, while inorganic and organic chemicals output increased 3.7%.

### Brazil sees government spending share easing to 19% of GDP this year

BRASILIA, June 29 (Reuters) - Brazil's government expects total spending as a share of gross domestic product to decelerate and end the year at around 19%, Treasury Secretary Daniel Leal said on Monday. Treasury data released earlier in the day showed the indicator rising steadily since mid-last year, reaching 19.6% of GDP in the 12 months through May. The trend comes as economists voice concern over government stimulus measures including off-primary-budget financial policies rolled out by President Luiz Inacio Lula da Silva as he approaches an October re-election bid. The measures come as the central bank is relying on slower economic activity.

### Oil falls as investors focus on potential Iran-US talks in Doha

June 30 (Reuters) - Oil prices dipped on Tuesday and were poised for a monthly decline, with investors eyeing potential U.S.-Iran talks in Doha amid a strained interim ceasefire in the four-month-old war. Brent August crude futures LCOc1, which expire on Tuesday, were down 0.9%, or 64 cents, at \$72.51 a barrel. These levels are around \$20, or 22%, lower than last month's closing. The more actively traded September contract LCOc2 was down 0.4%, or 31 cents, at \$73.6 a barrel. U.S. West Texas Intermediate CLc1 for August fell 0.6%, or 39 cents, to \$70.36 a barrel. Prices are set for around a \$17 drop, or 19%, from the May 29 closing.