

Treasury Daily Newsletter

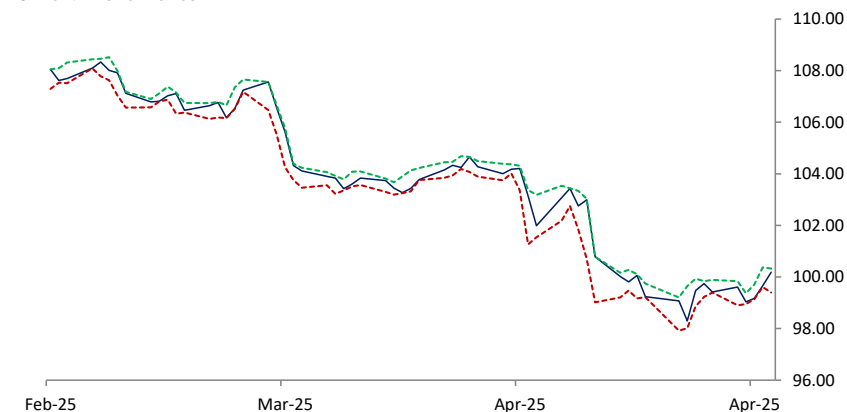
5-May-25

Kuwaiti Dinar Today 0.30650 / 0.30660

Key Market Highlights:

- The U.S. labor market showed resilience in April 2025, adding 177,000 nonfarm payrolls, surpassing economists forecasts of 138,000. The unemployment rate remained steady at 4.2%. While average hourly earnings increased modestly by 0.2% month-over-month, slightly below expectations. Significant job gains occurred in healthcare (51,000), transportation and warehousing (29,000), and leisure and hospitality sectors (24,000). Federal government employment slightly declined at 9,000, whereas overall government jobs, including state and local hiring, rose by 10,000.
- The Bank of Japan held its key interest rate steady at 0.5% following unanimous agreement, aligning with market expectations. In its latest quarterly outlook, the BOJ significantly lowered its economic growth forecast due to increased uncertainty stemming from ongoing U.S. tariff disputes and their negative impact on exports. BOJ Governor Kazuo Ueda stated the expected timeframe for achieving the bank's 2% inflation target has been postponed by approximately one year, now anticipated in the second half of fiscal 2026 or later. Despite this setback, the BOJ remains committed to potential future rate hikes.

U.S. Dollar Index 3-Month Performance



Technical Levels	Support 2	Support 1	Spot	Resistance 1	Resistance 2
EUR	1.1230	1.1290	1.1330	1.1380	1.1430
GBP	1.3200	1.3250	1.3290	1.3350	1.3400
JPY	143.00	143.60	144.15	144.75	145.15
CHF	0.8175	0.8220	0.8275	0.8330	0.8375

Currencies	Closing	YTD %	Closing	YTD %	
EUR/USD	1.1295	9.27	EUR/GBP	0.8515	2.96
GBP/USD	1.3271	6.15	GBP/JPY	192.22	2.57
USD/JPY	144.9300	7.98	EUR/JPY	163.76	0.06
USD/CHF	0.8267	8.88	EUR/CHF	0.9337	0.43

Brief Technical Commentary

EURUSD is back trading in its previous range after Friday's NFP volatility. Currently at 1.1330, resistance is at the post NFP high at 1.1380 followed by 1.1430. Support on the other hand is below the figure at 1.1290 and 1.1230.

USDJPY had a big move lower on Friday morning before the NFP data, moving more than one figure. The pair is currently trading lower at 144.15 with support at 143.60 followed by 143.00. Resistance for the pair is now at 144.75 and 145.15.

Commodities	Last Price	% Change	Global Indices	Last Price	% Change
Kuwait Oil	61.16	2.24	Dow Jones	41,317.43	1.39
Brent	59.65	2.68	Nikkei 225	36,830.69	1.04
West Texas	56.59	2.92	S&P 500	5,686.67	1.47
Gold	3,265.18	0.77	KuwaitSE	7,963.44	0.24

Economic Events	Country	Event	Actual	Forecast	Previous
05-May-25	CHF	CPI m/m	0.0%	0.2%	0.0%
05-May-25	USD	ISM Services PMI		50.2	50.8
07-May-25	NZD	Unemployment Rate		5.3%	5.1%
07-May-25	USD	Federal Funds Rate		4.50%	4.50%
07-May-25	USD	FOMC Statement			
08-May-25	GBP	BOE Monetary Policy Report			
08-May-25	GBP	Official Bank Rate		4.25%	4.50%
08-May-25	USD	Unemployment Claims		232K	241K
09-May-25	GBP	BOE Gov Bailey Speaks			
09-May-25	CAD	Unemployment Rate		6.7%	6.7%

Local & Global Rates (%)	O/N	1-Month	3-Month	6-Month	1-Year
KWD	3.56	3.75	4.00	4.19	4.38
USD	4.39	4.33	4.26	4.08	3.76
EUR	2.14	2.15	2.14	2.14	2.05
GBP	4.46	4.25	4.16	3.99	3.77

Government Yields (%)	1-Year	2-Year	5-Year	10-Year	30-Year
United States	3.94	3.82	3.91	4.31	4.81
Germany	1.75	1.76	2.06	2.51	2.96
United Kingdom	3.65	3.83	3.96	4.48	5.31
Japan	0.51	0.60	0.80	1.25	2.75

This Treasury Newsletter is a publication of the National Bank of Kuwait ("NBK"). Although the information in this document has been prepared in good faith and from sources which we believe to be reliable, we do not represent or warrant its accuracy and such information may not necessarily represent the actual market data. NBK accepts no liability whatsoever for any loss or damage arising from the use of this document or reliance on the information contained herein. NBK will not be responsible for the consequence of reliance upon any opinion or statement contained herein.

For further information or discussion, please contact the Treasury Services Desk on TSD_LIST@NBK.COM or +965 2221 6603 (FAX +965 2229 1441).