

Treasury Daily Newsletter

9-Jul-24

Kuwaiti Dinar Today 0.30585 / 0.30595

Key Market Highlights:

- In the US, the equity markets started the week with positive gains, where the S&P index added 0.1%, and the NASDAQ gained 0.3%, while the Dow Jones closed the day almost unchanged. Meanwhile, the fixed income market was relatively unchanged with the 2-year treasury up 2 bps trading at around 4.628%, while the 10-year treasury was up around 5 bps trading at 4.284%. The US dollar index was last seen trading at around 104.99, following a drop from 105.90 the previous week, accompanied by a weaker labor market and slower economic activity. Moreover, Fed Chair Jerome Powell is set to testify on Tuesday and Wednesday about monetary policy and economic outlook.
- The second round of parliamentary elections in France saw a surprise victory for the left-wing coalition. The leftist alliance won 198 seats compared to 169 seats for President Emmanuel Macron's party, and 143 seats for the far-right National Rally party led by Marine Le Pen. The result was a major blow for Le Pen's party, who were projected to be first but ended up third in the elections, and centrist President Emmanuel Macron, who called for early elections and is set to deal with a heavily divided parliament made up of three factions with opposing outlooks on key policies. EUR/USD has been trading on a range since the result of the elections, last seen at 1.0830.

Technical Levels	Support 2	Support 1	Spot	Resistance 1	Resistance 2
EUR	1.0760	1.0800	1.0830	1.0860	1.0900
GBP	1.2750	1.2780	1.2810	1.2845	1.2900
JPY	160.00	160.30	160.90	161.40	162.00
CHF	0.8900	0.8940	0.8980	0.9015	0.9040

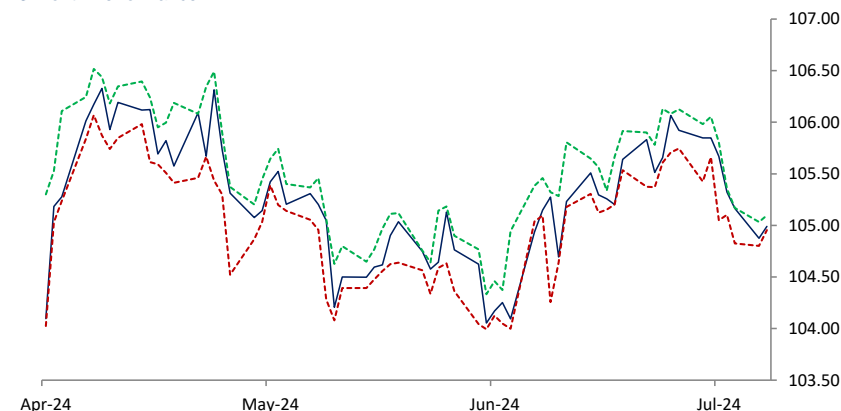
Brief Technical Commentary

EUR/USD: The pair finds difficulty to surpass the 1.0840 level, to show slight bearish bias. On the other hand, breaking 1.0760 will break positive scenario. The pair currently is at 1.0830 support levels at (1.0800-1.0760).

USD/CHF: The pair price trades positively to head towards the main resistance of 0.9014, breaking that level will confirm the main bullish trend. The pair is currently trading at 0.8980 support levels at (0.8940-0.8900).

Economic Events	Country	Event	Actual	Forecast	Previous
07-Jul-24	EUR	French Parliamentary Elections			
09-Jul-24	USD	Fed Chair Powell Speaks			
10-Jul-24	CNY	CPI y/y		0.4%	0.3%
10-Jul-24	CNY	PPI y/y		-0.8%	-1.4%
10-Jul-24	NZD	Official Cash Rate		5.5%	5.5%
11-Jul-24	GBP	GDP m/m		0.2%	0.0%
11-Jul-24	USD	CPI y/y		3.1%	3.3%
11-Jul-24	USD	Unemployment Claims		236K	238K
12-Jul-24	USD	PPI m/m		0.1%	-0.2%
12-Jul-24	USD	Prelim UoM Consumer Sentiment		67.0	68.2

US Dollar Index 3-Month Performance



Currencies	Closing	YTD %	Closing	YTD %	
EUR/USD	1.0822	1.88	EUR/GBP	0.8450	2.50
GBP/USD	1.2804	0.60	GBP/JPY	205.91	14.82
USD/JPY	160.8100	14.09	EUR/JPY	174.05	11.96
USD/CHF	0.8975	6.73	EUR/CHF	0.9713	4.73

Commodities	Last Price	% Change	Global Indices	Last Price	% Change
Kuwait Oil	90.11	0.23	Dow Jones	39,344.79	0.08
Brent	85.54	0.24	Nikkei 225	41,714.90	2.29
West Texas	82.10	0.28	S&P 500	5,572.85	0.10
Gold	2,365.38	0.28	KuwaitSE	7,052.36	0.11

Local & Global Rates (%)	O/N	1-Month	3-Month	6-Month	1-Year
KWD	3.75	4.00	4.31	4.44	4.69
USD	5.32	5.33	5.30	5.21	4.97
EUR	3.61	3.64	3.71	3.68	3.59
GBP	5.20	5.17	5.09	5.01	4.84

Government Yields (%)	1-Year	2-Year	5-Year	10-Year	30-Year
United States	4.98	4.63	4.24	4.28	4.47
Germany	3.26	2.90	2.52	2.51	2.69
United Kingdom	4.57	4.09	3.95	4.11	4.61
Japan	0.15	0.34	0.57	1.07	2.20

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