

Treasury Daily Newsletter
7-May-25

Kuwaiti Dinar Today 0.30640 / 0.30650

Key Market Highlights:

- The S&P Global UK Composite PMI dropped to 48.5 in April 2025 from 51.5 in March, signaling the first economic contraction since October 2023. Both manufacturing (45.4) and services (49.0) declined, with the latter shrinking for the first time in 17 months. New business fell for the fourth consecutive month amid weak client confidence, financial market turmoil, and US tariffs. Employment continued to decline as firms avoided rehiring due to subdued demand and rising labor costs. Business confidence hit its lowest level since 2022.
- The au Jibun Bank Japan Services PMI for April 2025 was revised up to 52.4 from 52.2, indicating continued expansion for the sixth straight month and improving from March's neutral 50.0. New orders rose at the fastest rate in nearly a year, supported by ongoing, though slower, overseas demand. Hiring accelerated to its quickest pace since January, while backlogs increased modestly. Input costs surged at the fastest rate since February 2023, and output prices rose as firms passed on some costs. Despite this growth, business optimism dropped to its lowest since January 2021 due to concerns over global trade, labor shortages, and inflation.

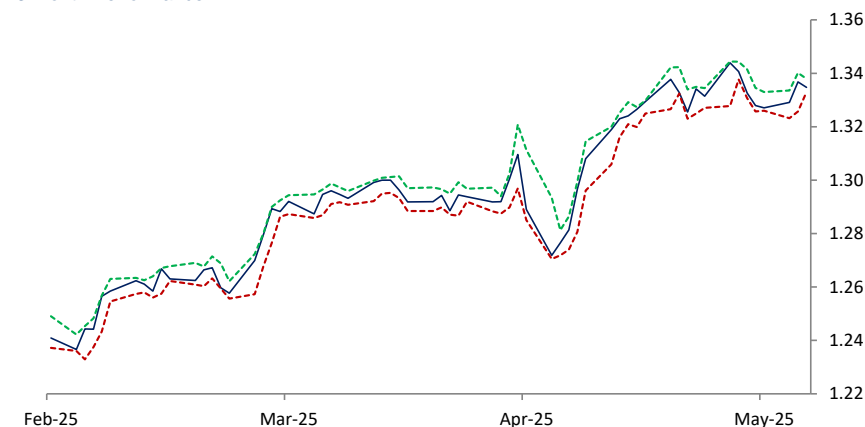
Technical Levels	Support 2	Support 1	Spot	Resistance 1	Resistance 2
EUR	1.1200	1.1285	1.1345	1.1380	1.1430
GBP	1.3260	1.3300	1.3343	1.3400	1.3450
JPY	141.30	142.20	143.20	144.25	145.90
CHF	0.8130	0.8200	0.8250	0.8290	0.8340

Brief Technical Commentary

The EURUSD price fluctuated during yesterday's intraday trading, the pair has been in a range the past couple of days waiting for FOMC to lead the way. The pair currently is at 1.1345 support levels (1.1285-1.1200).

The USDJPY price rose in today's Asian session in attempt to recover previous losses from yesterday's trading sessions. 4H EMA50 forms strong resistance at 143.45. The pair is currently trading at 143.20 support levels at (142.20-141.30).

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	51.6	50.2	50.8
07-May-25	NZD	Unemployment Rate	5.1%	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%

GBP/USD
3-Month Performance

Currencies	Closing	YTD %	Closing	YTD %	
EUR/USD	1.1368	9.77	EUR/GBP	0.8502	2.86
GBP/USD	1.3368	6.75	GBP/JPY	190.29	2.91
USD/JPY	142.41	8.81	EUR/JPY	161.91	0.40
USD/CHF	0.8220	9.10	EUR/CHF	0.9342	0.21

Commodities	Last Price	% Change	Global Indices	Last Price	% Change
Kuwait Oil	63.82	2.18	Dow Jones	40,829.00	0.95
Brent	62.73	0.93	Nikkei 225	36,870.54	0.11
West Texas	59.74	1.10	S&P 500	5,606.91	0.77
Gold	3,392.87	1.07	KuwaitSE	7,991.81	0.02

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	4.33	4.34	4.31	4.18	3.92
EUR	2.16	2.12	2.15	2.15	2.04
GBP	4.46	4.22	4.16	4.01	3.81

Government Yields (%)	1-Year	2-Year	5-Year	10-Year	30-Year
United States	3.95	3.81	3.91	4.32	4.80
Germany	1.73	1.76	2.07	2.55	3.02
United Kingdom	3.62	3.81	3.96	4.50	5.32
Japan	0.51	0.60	0.83	1.29	2.86