

Treasury Daily Newsletter

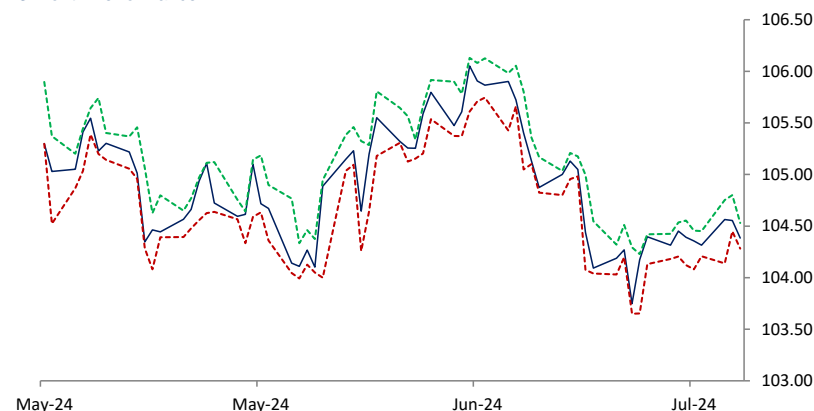
31-Jul-24

Kuwaiti Dinar Today 0.30555 / 0.30565

Key Market Highlights:

- US Consumer Confidence Rises Slightly in July 2024. The Conference Board's Consumer Confidence Index increased to 100.3 in July 2024, up from 97.8 in June. The Present Situation Index, reflecting consumers' views on current business and labor market conditions, fell to 133.6 from 135.3. In contrast, the Expectations Index, which gauges consumers' short-term outlook for income, business, and labor market conditions, improved to 78.2 from 72.8 in June. Despite this improvement, it remains below the threshold of 80, which often signals potential economic challenges ahead. This data highlights consumers' mixed sentiments, with optimism about the future counterbalanced by concerns about current conditions and economic uncertainties.
- The number of job openings in the US remained steady at 8.2 million, with a job openings rate of 4.9%. Hires were little changed at 5.3 million, while total separations were also stable at 5.1 million. Within separations, quits were at 3.3 million, indicating a quits rate of 2.1%. The data shows stability in the labor market, with consistent job openings, hires, and separations across most industries. Notably, job openings increased in accommodation and food services by 120,000 and in state and local government by 94,000, but decreased in durable goods manufacturing by 88,000 and in federal government by 62,000.
- The Bank of Japan (BoJ) has increased its benchmark interest rate to approximately 0.25%, up from the previous range of 0% to 0.1%. This move marks the second rate hike since 2007. Despite this increase, the BoJ expects real interest rates to remain significantly negative, maintaining accommodative financial conditions to support economic activity. This decision comes amid ongoing efforts to balance economic recovery and manage inflation pressures. The USD/JPY pair was seen trading lower following the decision.

US Dollar Index
3-Month Performance



Technical Levels	Support 2	Support 1	Spot	Resistance 1	Resistance 2
EUR	1.0770	1.0800	1.0825	1.0870	1.0920
GBP	1.2770	1.2805	1.2845	1.2900	1.2940
JPY	151.65	152.20	152.70	153.25	153.70
CHF	0.8730	0.8775	0.8815	0.8845	0.8885

Currencies	Closing	YTD %	Closing	YTD %	
EUR/USD	1.0815	1.92	EUR/GBP	0.8425	2.77
GBP/USD	1.2834	0.86	GBP/JPY	195.95	9.34
USD/JPY	152.7600	8.36	EUR/JPY	165.18	6.31
USD/CHF	0.8825	4.75	EUR/CHF	0.9546	2.78

Brief Technical Commentary

The pair price begins the day with bullish bias to approach the first key resistance of 1.0840, waiting to resume the bearish trend targeting the 1.0775 level. The pair currently is at 1.0825 support levels at (1.0800-1.0770)

The pair price traded with strong negativity as the BOJ raised interest rates, targeting the next level of 151.10. The pair is currently trading at 152.70 support levels at (152.20-151.65).

Commodities	Last Price	% Change	Global Indices	Last Price	% Change
Kuwait Oil	83.57	0.26	Dow Jones	40,743.33	0.50
Brent	79.66	1.03	Nikkei 225	38,525.95	0.15
West Texas	75.92	1.19	S&P 500	5,436.44	0.49
Gold	2,419.82	0.47	KuwaitSE	7,186.71	0.06

Economic Events	Country	Event	Actual	Forecast	Previous
30-Jul-24	USD	CB Consumer Confidence	100.3	99.8	100.4
30-Jul-24	USD	JOLTS Job Openings			8.14M
31-Jul-24	JPY	BOJ Policy Rate			
31-Jul-24	USD	ADP Non-Farm Employment Change		166K	150K
31-Jul-24	USD	Federal Funds Rate			
31-Jul-24	CNY	Manufacturing PMI	49.4	49.3	49.5
31-Jul-24	EUR	Core CPI Flash Estimate y/y		2.8%	2.9%
1-Aug-24	GBP	Official Bank Rate			
2-Aug-24	USD	ISM Manufacturing PMI		49.0	48.5
2-Aug-24	USD	Unemployment Rate		4.1%	4.1%

Local & Global Rates (%)	O/N	1-Month	3-Month	6-Month	1-Year
KWD	2.31	4.00	4.25	4.50	4.69
USD	5.33	5.34	5.25	5.08	4.74
EUR	3.60	3.60	3.64	3.59	3.43
GBP	5.20	5.08	5.05	4.95	4.73

Government Yields (%)	1-Year	2-Year	5-Year	10-Year	30-Year
United States	4.76	4.35	4.03	4.14	4.40
Germany	3.00	2.54	2.25	2.33	2.55
United Kingdom	4.45	3.84	3.83	4.03	4.60
Japan	0.24	0.43	0.65	1.04	2.17

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