

Treasury Daily Newsletter

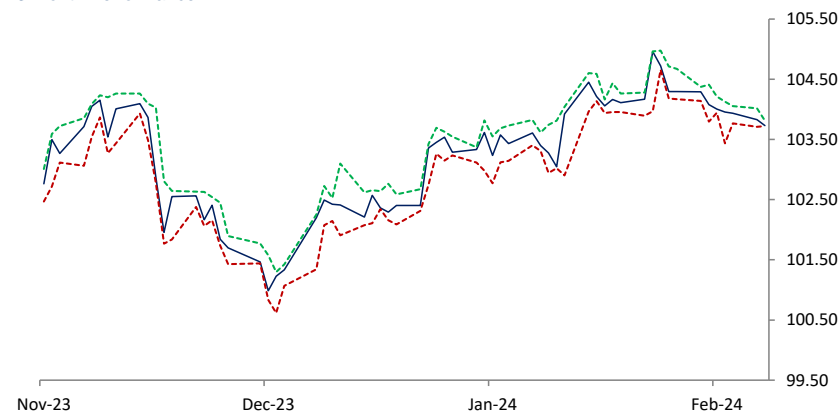
27-Feb-24

Kuwaiti Dinar Today 0.30740 / 0.30750

Key Market Highlights:

- While the manufacturing sector saw an increase in the month of February, the services sector on the other hand saw a decrease from the 52.5 figure in January while remaining in expansion territory. With the February figure easing to 51.5, below expectations of almost no change at 52.4. Despite holding positive momentum, as well as an increase in headcount from service providers, the pace of hiring showed signs of slowing as the downward trend in sales growth drove companies to be more cautious about slowing orders. The cooling in business activity sent encouraging notes on inflation, where the services PMI was on an upward trend the past five months, despite restrictive monetary policy and high interest rates.
- Existing home sales in the US rose to 3.1% in the month-over-month figure, with an annualized rate of 4 million in the month of January. The figure marked the highest level in five months, beating December's figure of 3.88 million and slightly higher than expectations of 3.97 million. The increase can be attributed to home buyers taking advantage of the lower mortgage rates in comparison with late 2023. Meanwhile, housing prices increased to an all-time high with the median existing-home price at \$397,100 for the

US Dollar Index
3-Month Performance



Technical Levels	Support 2	Support 1	Spot	Resistance 1	Resistance 2
EUR	1.0760	1.0810	1.0850	1.0900	1.0970
GBP	1.2580	1.2620	1.2680	1.2710	1.2775
JPY	149.55	150.00	150.45	150.85	151.50
CHF	0.8690	0.8750	0.8795	0.8825	0.8885

Currencies	Closing	YTD %	Closing	YTD %	
EUR/USD	1.0847	1.72	EUR/GBP	0.8553	1.33
GBP/USD	1.2682	0.42	GBP/JPY	191.15	6.29
USD/JPY	150.6900	6.70	EUR/JPY	163.52	4.90
USD/CHF	0.8798	4.54	EUR/CHF	0.9549	2.76

Brief Technical Commentary

USD/JPY keeps losses near 150.50 after Japan's hot Inflation data. Currently trading at (150.45) and our support at (150) and resistance at (150.85) a breakout above that will take us higher towards (151.50).

EUR/USD continues to trade around 1.0850 area. Support at (1.0810) and we expect the pair to continue higher towards (1.0900).

Commodities	Last Price	% Change	Global Indices	Last Price	% Change
Kuwait Oil	86.27	1.73	Dow Jones	39,069.23	0.16
Brent	74.53	0.36	Nikkei 225	39,190.10	0.11
West Texas	69.64	0.24	S&P 500	5,005.57	0.48
Gold	2,034.36	0.18	KuwaitSE	7,434.50	0.29

Economic Events	Country	Event	Actual	Forecast	Previous
27-Feb-24	USD	CB Consumer Confidence		114.8	114.8
28-Feb-24	AUD	CPI y/y		3.6%	3.4%
28-Feb-24	USD	Prelim GDP q/q		3.3%	3.3%
29-Feb-24	EUR	German Prelim CPI m/m		0.5%	0.2%
29-Feb-24	CAD	GDP m/m		0.2%	0.2%
29-Feb-24	USD	Core PCE Price Index m/m		0.4%	0.2%
29-Feb-24	USD	Unemployment Claims		209K	201K
1-Mar-24	CNY	Manufacturing PMI		49.1	49.2
1-Mar-24	USD	ISM Manufacturing PMI		49.5	49.1
1-Mar-24	USD	Revised UoM Consumer Sentiment		79.6	79.6

Local & Global Rates (%)	O/N	1-Month	3-Month	6-Month	1-Year
KWD	3.88	4.06	4.31	4.50	4.69
USD	5.31	5.33	5.34	5.28	5.07
EUR	3.90	3.85	3.93	3.91	3.74
GBP	5.19	5.20	5.21	5.18	5.00

Government Yields (%)	1-Year	2-Year	5-Year	10-Year	30-Year
United States	4.99	4.71	4.31	4.29	4.40
Germany	3.47	2.90	2.44	2.43	2.56
United Kingdom	4.54	4.27	4.01	4.14	4.60
Japan	0.03	0.16	0.34	0.69	1.68

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