

## Treasury Daily Newsletter

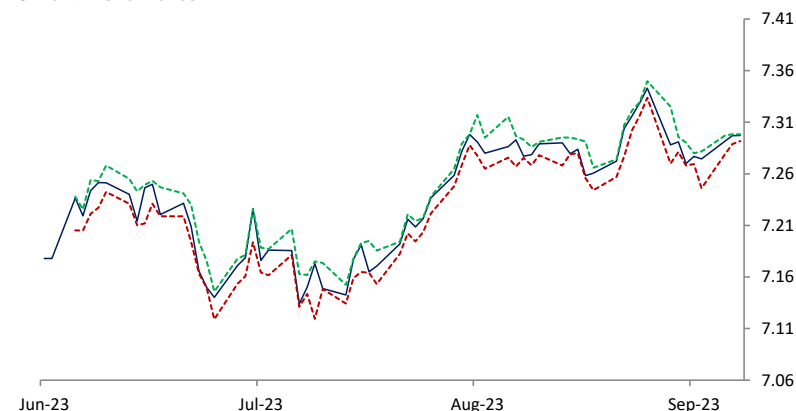
20-Sep-23

Kuwaiti Dinar Today 0.30865 / 0.30875

### Key Market Highlights:

- Inflation in Canada accelerated more than expected in August on the back of rising energy prices, with annual CPI coming in at 4% versus 3.3% in July. On a monthly basis, this represents a 0.4% increase versus estimates of a 0.2% rise. In their press release, governmental organization Statistics Canada stated, "In addition to facing higher energy prices, Canadians paid more for rent and mortgage interest in August." Following the release of inflation data, markets are pricing in a 59% chance of no hike for the upcoming Bank of Canada monetary policy meeting. Furthermore, the USD/CAD pair fell to its lowest level in 6 weeks, last trading at 1.3461
- According to the statement that was released this morning from The People's Bank of China, its one-year loan prime rate has been kept unchanged at 3.45%, while the five year loan prime rate was held at 4.2%, both in line with expectations. As recent economic data showed that the world's second largest economy is coming back from a sharp slowdown, policy makers believe that the need for immediate monetary easing can be neglected at this time. In China the USD/CNY pair is currently trading sideways at 7.2973

USD/CNY  
3-Month Performance



Technical Levels	Support 2	Support 1	Spot	Resistance 1	Resistance 2
EUR	1.0575	1.0630	1.0679	1.0730	1.0770
GBP	1.2305	1.2345	1.2388	1.2440	1.2485
JPY	146.60	147.35	147.82	148.35	148.85
CHF	0.8875	0.8930	0.8981	0.9020	0.9060

Currencies	Closing	YTD %	Closing	YTD %	
EUR/USD	1.0677	0.21	EUR/GBP	0.8616	2.54
GBP/USD	1.2390	2.41	GBP/JPY	183.22	15.53
USD/JPY	147.8600	12.78	EUR/JPY	157.89	12.57
USD/CHF	0.8975	2.87	EUR/CHF	0.9585	3.09

### Brief Technical Commentary

EUR/USD: The pair moved up to the 1.0717 level during Tuesday trading session and currently trading at 1.0679. EUR/USD Support levels are at (1.0575-1.0630) any break below would take the pair down to 1.0515. Short term outlook is Bearish.

GBP/USD: The pair moved up to the 1.2424 level during Tuesday trading session and currently trading at 1.2388. GBP/USD Support levels are at (1.2305-1.2345) any break below would take the pair down to 1.2270. Short term outlook is Bearish.

Commodities	Last Price	% Change	Global Indices	Last Price	% Change
Kuwait Oil	97.93	0.86	Dow Jones	34,517.73	0.31
Brent	97.75	0.02	Nikkei 225	33,054.81	0.56
West Texas	0.00	#DIV/0!	S&P 500	4,443.95	0.22
Gold	1,932.05	0.06	KuwaitSE	6,989.67	0.22

Economic Events	Country	Event	Actual	Forecast	Previous
20-Sep-23	CNY	1-Y Loan Prime Rate	3.45%	3.45%	3.45%
20-Sep-23	GBP	CPI y/y		7.1%	6.8%
20-Sep-23	USD	Federal Funds Rate		5.50%	5.50%
21-Sep-23	CHF	SNB Policy Rate		2.00%	1.75%
21-Sep-23	GBP	Official Bank Rate		5.50%	5.25%
21-Sep-23	USD	Unemployment Claims		222,000	220,000
22-Sep-23	JPY	Policy Rate		-10.0%	-10.0%
22-Sep-23	EUR	Flash Services PMI		47.7	47.9
22-Sep-23	GBP	Flash Services PMI		49.0	49.5
22-Sep-23	USD	Flash Services PMI		50.8	50.5

Local & Global Rates (%)	O/N	1-Month	3-Month	6-Month	1-Year
KWD	3.75	4.00	4.31	4.50	4.69
USD	5.31	5.32	5.40	5.47	5.45
EUR	3.72	3.76	3.90	4.07	4.19
GBP	5.19	5.39	5.48	5.57	5.63

Government Yields (%)	1-Year	2-Year	5-Year	10-Year	30-Year
United States	5.42	5.09	4.51	4.36	4.43
Germany	3.73	3.29	2.77	2.75	2.87
United Kingdom	5.12	4.99	4.53	4.34	4.72
Japan	-0.05	0.02	0.28	0.72	1.70

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).