

## Treasury Daily Newsletter

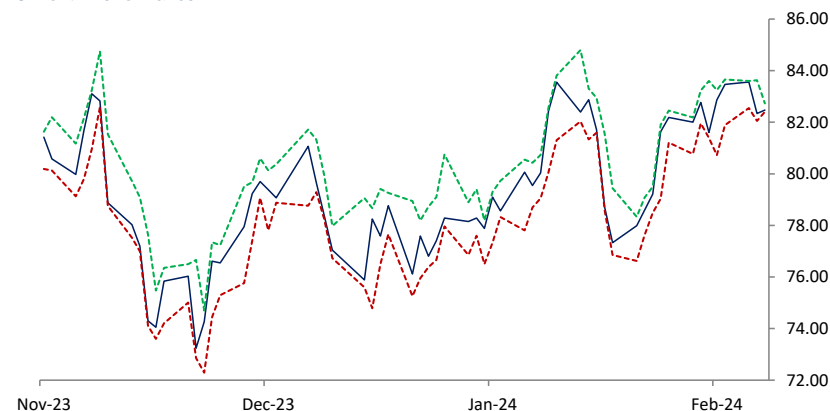
21-Feb-24

Kuwaiti Dinar Today 0.30755 / 0.30765

### Key Market Highlights:

- Inflation in Canada slowed more than expected, with annual CPI declining to 2.9% from 3.4% previously and below market expectations of 3.3%. On a monthly basis, CPI was unchanged versus market consensus of a 0.4% rise. The largest contributor to the slowdown in inflation is gasoline prices, which declined 4% y/y compared to December's 1.4% increase. Annual core CPI, which excludes energy and food prices, came in at 2.4% from 2.6% previously. The positive inflation readings has markets bolstering up rate cut projections, with a probability of a cut in April rising to 60% from 33% prior to the figures coming out.
- Oil prices edged up, supported by rising Chinese stocks and a weaker dollar. Investors are balancing tighter oil supplies with geopolitical tensions and uncertain demand. OPEC+ member Russia met its export cut target in January, while Chinese holiday travel data showed increased trips but cautious spending and the attacks in the Middle East adding a risk premium. Chinese stocks rose after government support, while a weaker dollar boosted commodities. The market is waiting for clearer signs on future supply and demand, although the prompt Brent timespread suggests tightening supplies. Overall, oil prices are holding steady despite mixed signals.

**Brent Crude Oil**  
3-Month Performance



Technical Levels	Support 2	Support 1	Spot	Resistance 1	Resistance 2
EUR	1.0710	1.0760	1.0813	1.0870	1.0935
GBP	1.2515	1.2575	1.2631	1.2670	1.2740
JPY	148.90	149.35	149.95	150.40	150.90
CHF	0.8695	0.8750	0.8807	0.8860	0.8905

Currencies	Closing	YTD %	Closing	YTD %	
EUR/USD	1.0803	2.05	EUR/GBP	0.8560	1.25
GBP/USD	1.2618	0.79	GBP/JPY	189.32	5.53
USD/JPY	149.9900	6.34	EUR/JPY	162.11	4.22
USD/CHF	0.8818	4.71	EUR/CHF	0.9531	2.57

### Brief Technical Commentary

EUR/USD: The pair moved up to the 1.0838 level during Tuesday trading session and currently trading at 1.0813. EUR/USD Support levels are at (1.0710-1.0760) any break below would take the pair down to 1.0660. Short term outlook is Bearish.

GBP/USD: The pair moved up to the 1.2668 level during Tuesday trading session and currently trading at 1.2631. GBP/USD Support levels are at (1.2515-1.2575) any break below would take the pair down to 1.2450. Short term outlook is Neutral.

Commodities	Last Price	% Change	Global Indices	Last Price	% Change
Kuwait Oil	86.19	0.52	Dow Jones	38,563.80	0.17
Brent	74.53	0.36	Nikkei 225	38,462.43	0.06
West Texas	69.64	0.24	S&P 500	5,005.57	0.48
Gold	2,030.31	0.33	KuwaitSE	7,425.73	0.29

Economic Events	Country	Event	Actual	Forecast	Previous
20-Feb-24	AUD	Monetary Policy Meeting Minutes			
20-Feb-24	CAD	CPI m/m	0.0%	0.4%	-0.3%
21-Feb-24	AUD	Wage Price Index q/q	0.9%	0.9%	1.3%
21-Feb-24	USD	FOMC Meeting Minutes			
22-Feb-24	EUR	French Flash Manufacturing PMI		43.5	43.1
22-Feb-24	EUR	French Flash Services PMI		45.7	45.4
22-Feb-24	GBP	Flash Manufacturing PMI		47.5	47.0
22-Feb-24	GBP	Flash Services PMI		54.5	54.3
22-Feb-24	USD	Flash Manufacturing PMI		50.1	50.7
22-Feb-24	USD	Flash Services PMI		52.0	52.5

Local & Global Rates (%)	O/N	1-Month	3-Month	6-Month	1-Year
KWD	3.81	4.06	4.31	4.50	4.75
USD	5.30	5.32	5.33	5.27	5.05
EUR	3.89	3.85	3.93	3.92	3.67
GBP	5.19	5.20	5.21	5.17	4.97

Government Yields (%)	1-Year	2-Year	5-Year	10-Year	30-Year
United States	4.93	4.59	4.24	4.27	4.45
Germany	3.33	2.77	2.36	2.37	2.53
United Kingdom	4.72	4.53	4.07	4.04	4.59
Japan	0.00	0.14	0.35	0.72	1.72

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