

Treasury Daily Newsletter

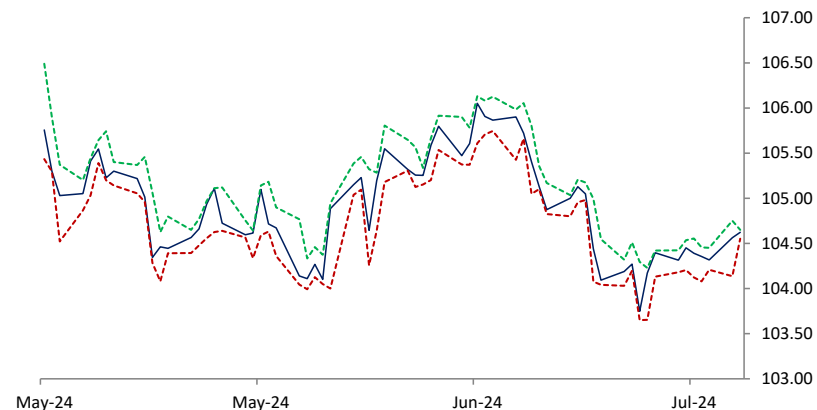
30-Jul-24

Kuwaiti Dinar Today 0.30565 / 0.30575

Key Market Highlights:

- Markets turn their attention to this week's FOMC meeting, where it is expected that the Federal Reserve will hold interest rates at the 5.25%-5.50% range. Additionally, traders will also monitor important labor market economic data as well as the official Federal Reserve statement. Whether the Fed signals that cuts are coming remains to be seen. Inflation has declined substantially since its peak in 2022, while the labor market showed signs of easing. However, inflation is still not at the Fed's target 2% range, and the risk of cutting too early could undermine the Fed's credibility is not something they want to see. Markets are pricing in three rate cuts by year-end, totaling 75 bps worth of reductions, with the first cut to start in September.
- Oil prices fell to seven-week lows with Brent crude futures last seen trading at \$79.47 per barrel, as global demand and growth concerns outweigh rising geopolitical tensions in the Middle East. The fall in prices comes amid a three-week losing streak for the commodity, after a series of economic data coming out of China highlighted the continued struggles that the world's second largest economy faces. Growth figures out of China disappointed markets, while muted consumer demand and weaker import figures also signal demand worries.

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	1.2860	1.2900	1.2940
JPY	153.00	153.60	154.20	154.70	155.00
CHF	0.8775	0.8820	0.8860	0.8890	0.8930

Currencies	Closing	YTD %	Closing	YTD %	
EUR/USD	1.0819	1.95	EUR/GBP	0.8412	2.85
GBP/USD	1.2859	0.93	GBP/JPY	198.05	10.71
USD/JPY	154.0100	9.66	EUR/JPY	166.66	7.54
USD/CHF	0.8859	5.43	EUR/CHF	0.9587	3.39

Brief Technical Commentary

EUR/USD: The pair price managed to touch the 1.0803 level and found major support there, waiting to break this level to visit next target of 1.0770. The pair currently is at 1.0825 support levels at (1.0800-1.0770)

USD/JPY: The pair price is currently hovering over the support of 153.65, waiting to break this level to confirm bearish correction followed by a move towards the 151.10 level. The pair is currently trading at 154.20 support levels at (153.60-153.00).

Commodities	Last Price	% Change	Global Indices	Last Price	% Change
Kuwait Oil	83.16	1.52	Dow Jones	40,539.93	0.12
Brent	79.47	0.39	Nikkei 225	38,468.63	2.13
West Texas	75.48	0.44	S&P 500	5,463.54	0.08
Gold	2,388.81	0.22	KuwaitSE	7,190.71	0.18

Economic Events	Country	Event	Actual	Forecast	Previous
30-Jul-24	USD	CB Consumer Confidence		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		49.3	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	4.44	4.69
USD	5.35	5.34	5.25	5.09	4.75
EUR	3.64	3.62	3.66	3.59	3.43
GBP	5.20	5.08	5.05	4.94	4.72

Government Yields (%)	1-Year	2-Year	5-Year	10-Year	30-Year
United States	4.77	4.40	4.08	4.18	4.43
Germany	3.03	2.65	2.30	2.36	2.57
United Kingdom	4.45	3.84	3.85	4.04	4.61
Japan	0.18	0.37	0.58	0.99	2.11

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