

Treasury Daily Newsletter

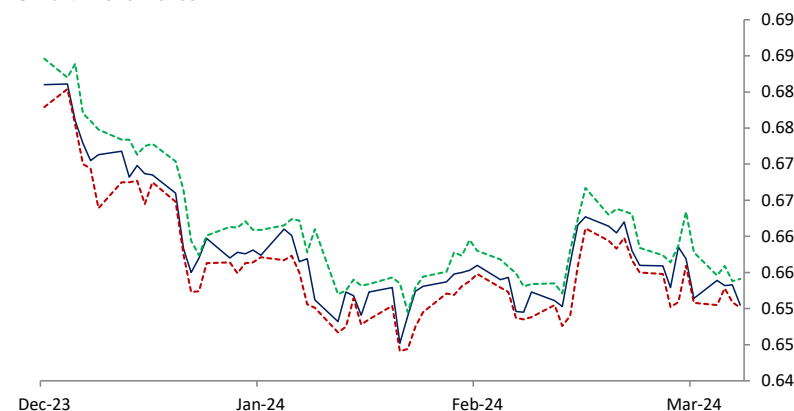
28-Mar-24

Kuwaiti Dinar Today 0.30735 / 0.30745

Key Market Highlights:

- Federal Reserve governor Christopher Waller signaled on Wednesday night that the Fed is in “no rush to cut the policy rate.” Regarding the latest economic data, particularly when it comes to inflation and employment, Waller said that “it is prudent to hold this rate at its current restrictive stance perhaps for longer than previously thought to help keep inflation on a sustainable trajectory toward 2%.” Furthermore, Waller said that he was looking at the three- and six-month measures of core inflation, and that the readings show that progress on getting inflation to their 2% target is slowing down. “The risk of waiting a little longer to cut rates is significantly lower than acting too soon” added Waller. “Cutting the policy rate too soon and risking a sustained rebound in inflation is something I want to avoid.” Waller’s remarks were significantly more hawkish than Fed Chair Jerome Powell’s comments recently, and on par with Atlanta Fed president Raphael Bostic. Despite the latest dot plot showing a majority of FOMC members favoring three rate cuts this year, Bostic said that he expects only one rate cut to occur later in the year. Meanwhile, markets are pricing in three rate cuts by year-end, in line with the Fed dot plot.
- Retail sales in Australia rose 0.3% month-over-month in February, slightly below expectations of a 0.4% increase. The increase was supported by increased consumer spending for the month. Meanwhile, inflation remained above the RBA’s target of 2% despite easing in 2023, with the latest CPI report showing the figure at 3.4% in February. The Australian dollar was last seen trading at around 0.6503 after the news release

AUD/USD 3-Month Performance



Technical Levels	Support 2	Support 1	Spot	Resistance 1	Resistance 2
EUR	1.0750	1.0790	1.0820	1.0870	1.0920
GBP	1.2520	1.2570	1.2630	1.2675	1.2730
JPY	150.50	151.00	151.30	152.00	152.50
CHF	0.8960	0.9000	0.9055	0.9100	0.9150

Currencies	Closing	YTD %	Closing	YTD %	
EUR/USD	1.0826	2.14	EUR/GBP	0.8564	1.23
GBP/USD	1.2638	0.93	GBP/JPY	191.13	6.32
USD/JPY	151.32	7.31	EUR/JPY	163.74	5.04
USD/CHF	0.9037	7.61	EUR/CHF	0.9785	5.35

Brief Technical Commentary

The pair was trading in a tight range in the Asian session. As EUR/USD is trading at 1.0820 resistance levels are at (1.0870-1.0920)

The pair is trading at (151.00-151.95) for the past week looking for a breakout . The pair is currently trading at 151.30 , the first resistance at 152.00 and the first at 151.00 either could be tested today.

Commodities	Last Price	% Change	Global Indices	Last Price	% Change
Kuwait Oil	90.60	0.57	Dow Jones	39,760.08	1.22
Brent	86.39	0.35	Nikkei 225	40,168.07	1.46
West Texas	81.74	0.48	S&P 500	5,248.49	0.86
Gold	2,193.31	0.17	KuwaitSE	7,372.20	1.39

Economic Events	Country	Event	Actual	Forecast	Previous
26-Mar-24	USD	CB Consumer Confidence	104.7	106.9	106.7
27-Mar-24	AUD	CPI y/y	3.4%	3.5%	3.4%
28-Mar-24	USD	FOMC Member Waller Speaks			
28-Mar-24	USD	Final GDP q/q		3.2%	3.2%
28-Mar-24	USD	Unemployment Claims		214,000	210,000
28-Mar-24	USD	Revised UoM Consumer Sentiment		76.5	76.5
29-Mar-24	JPY	Tokyo Core CPI y/y		2.4%	2.5%
29-Mar-24	EUR	French Prelim CPI m/m		0.5%	0.9%
29-Mar-24	USD	Core PCE Price Index m/m		0.3%	0.4%
29-Mar-24	USD	Fed Chair Powell Speaks			

Local & Global Rates (%)	O/N	1-Month	3-Month	6-Month	1-Year
KWD	3.81	4.06	4.31	4.50	4.69
USD	5.32	5.33	5.30	5.22	5.01
EUR	3.88	3.83	3.90	3.86	3.68
GBP	5.19	5.20	5.18	5.09	4.87

Government Yields (%)	1-Year	2-Year	5-Year	10-Year	30-Year
United States	4.94	4.62	4.22	4.21	4.35
Germany	3.41	2.82	2.33	2.30	2.45
United Kingdom	4.44	4.11	3.82	3.92	4.43
Japan	0.06	0.18	0.34	0.70	1.76

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