

Treasury Daily Newsletter

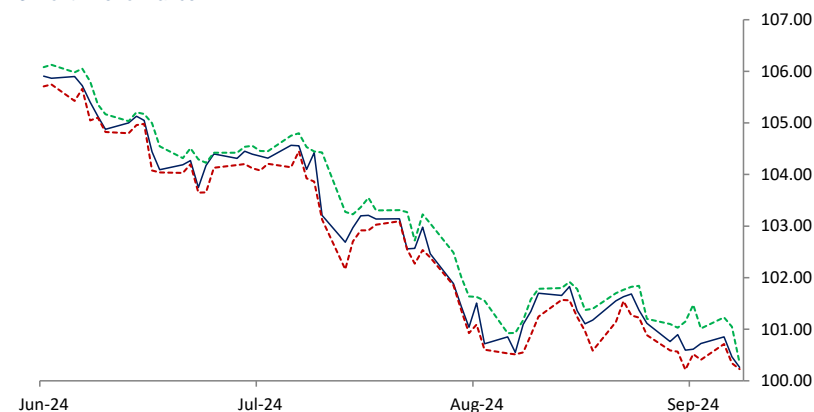
25-Sep-24

Kuwaiti Dinar Today 0.30475 / 0.30485

Key Market Highlights:

- Consumer confidence in the US fell more than expected in September, after the Conference Board reading came in 98.7 versus 105.6 previously, the biggest one-month decline since August 2021. Consumers cited concerns about the labor market as a major source of worry in the survey. Additionally, inflation concerns continued to be a sticking point in the mind of consumers, with the one-year inflation outlook rising to 5.2%. The survey was done prior to the Federal Reserve's decision to cut interest rates by 50 bps last week.
- The Japanese Yen is currently trading at a lower level against the US Dollar as investors carefully analyze the Bank of Japan's stance on monetary policy. Recent statements from BoJ Governor Kazuo Ueda have suggested that the central bank is in no rush to raise interest rates again, emphasizing the need to assess market and economic conditions before making any policy adjustments. Ueda also highlighted the deeply negative real interest rate in Japan, which is playing a positive role in stimulating the economy and increasing prices. Additionally, Finance Minister Shunichi Suzuki expressed confidence in the Bank of Japan's ability to implement appropriate monetary policy measures while maintaining close coordination with the government.

US Dollar Index
3-Month Performance



Technical Levels	Support 2	Support 1	Spot	Resistance 1	Resistance 2
EUR	1.1075	1.1140	1.1195	1.1240	1.1300
GBP	1.3300	1.3375	1.3415	1.3460	1.3500
JPY	142.00	142.75	143.25	144.00	144.50
CHF	0.8330	0.8370	0.8425	0.8490	0.8550

Currencies	Closing	YTD %	Closing	YTD %
EUR/USD	1.1180	1.42	EUR/GBP	0.8335 3.74
GBP/USD	1.3412	5.37	GBP/JPY	192.03 7.07
USD/JPY	143.2100	1.60	EUR/JPY	160.11 3.07
USD/CHF	0.8433	0.10	EUR/CHF	0.9427 1.51

Brief Technical Commentary

The USD weakness narrative continues to be the main driver of FX markets. The GBP has broke the 1.34 level, and is now at a 30-month high. The next resistance levels will be at (1.3460-1.3500). If the pair breaks below the figure then the first support level is at (1.3375) followed by (1.3300).

USDCHF is currently at (0.8425), below the 50,100 and 200 day SMA. If it can break below this support level then it can target (0.8370). Resistance on the other hand is at (0.8490-0.8550). Short term outlook is bullish CHF.

Commodities	Last Price	% Change	Global Indices	Last Price	% Change
Kuwait Oil	78.52	0.69	Dow Jones	42,208.22	0.20
Brent	75.03	0.19	Nikkei 225	37,940.59	0.57
West Texas	71.36	0.28	S&P 500	5,732.93	0.25
Gold	2,657.59	0.03	KuwaitSE	7,168.70	0.16

Economic Events	Country	Event	Actual	Forecast	Previous
23-Sep-23	USD	Flash Manufacturing PMI	47.0	48.6	47.9
23-Sep-23	USD	Flash Services PMI	55.4	55.3	55.7
24-Sep-23	JPY	BOJ Gov Ueda Speaks			
24-Sep-23	USD	CB Consumer Confidence	98.7	103.5	103.3
25-Sep-23	AUD	CPI y/y	2.7%	2.8%	3.5%
26-Sep-23	CHF	SNB Policy Rate		1.00%	1.25%
26-Sep-23	USD	Final GDP q/q		2.9%	3.0%
26-Sep-23	USD	Unemployment Claims		244K	219K
26-Sep-23	USD	Fed Chair Powell Speaks			
27-Sep-23	USD	Core PCE Price Index m/m		0.2%	0.2%

Local & Global Rates (%)	O/N	1-Month	3-Month	6-Month	1-Year
KWD	2.13	3.75	3.94	4.13	4.31
USD	4.83	4.85	4.66	4.31	3.80
EUR	3.36	3.35	3.43	3.21	2.90
GBP	4.95	4.96	4.83	4.65	4.28

Government Yields (%)	1-Year	2-Year	5-Year	10-Year	30-Year
United States	3.85	3.52	3.48	3.74	4.09
Germany	2.58	2.08	1.96	2.14	2.47
United Kingdom	4.26	3.90	3.76	3.93	4.50
Japan	0.23	0.34	0.46	0.81	2.03

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For further information or discussion, please contact the Treasury Services Desk on TSD_LIST@NBK.COM or +965 2221 6603 (FAX +965 2229 1441).