

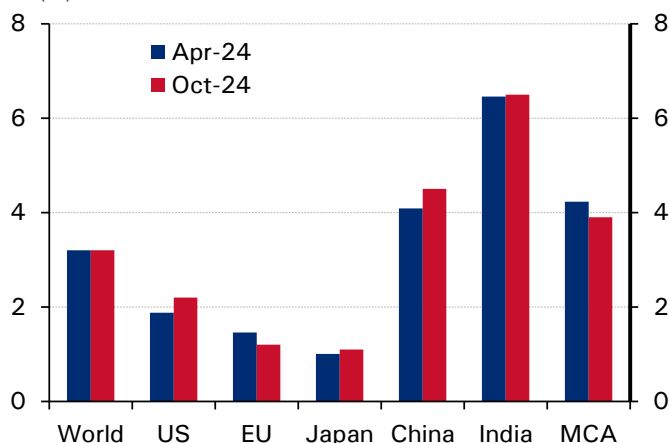
# Daily Economic Update

Economic Research Department  
23 October 2024

**Global: IMF broadly maintains its global growth forecast for 2024-2025 despite a solid upgrade for the US.** In its latest World Economic Outlook report, the IMF left its global growth forecast for 2024 unchanged from its July projections at 3.2% and marginally downgraded 2025 to 3.2% from 3.3% previously. Among the major economies, there was stronger growth for the US in 2024-2025 but weaker growth for the Eurozone, while China and Japan are seen growing in 2024 much weaker than previously expected. Specifically, projected growth in the US was upgraded to 2.8% and 2.2% in 2024 and 2025, respectively, from 2.6% and 1.9% previously. Growth in the Eurozone was lowered to 0.8% and 1.2%, respectively, from 0.9% and 1.5%, mainly due to weakness in Germany while UK growth was upgraded by a strong 0.4 percentage points in 2024 to 1.1% and left unchanged in 2025 at 1.5%. Despite the recent stimulus measures, China's growth was lowered by 0.2 percentage points to 4.8% this year and left unchanged at 4.5% in 2025. In Japan, growth was downgraded by a relatively steep 0.4 percentage points to just 0.3% in 2024 but upgraded marginally in 2025 to 1.1%. The Fund sees the risks to the global outlook as tilted to the downside amid elevated policy uncertainty. Some of the risks highlighted include disruptions to the disinflation process, potentially triggered by spikes in commodity prices amid ongoing geopolitical tensions, and an intensification of protectionist trade policies, which would reduce market efficiency and further disrupt supply chains.

**Chart 1: IMF economic growth forecasts for 2025**

(%)



Source: IMF, WEO Oct. 2024 Note: MCA is Middle East and Central Asia

**UK: Government borrowings rise ahead of the Autumn budget.** UK government borrowing in September came in at £16.6 billion, rising 14% y/y, with total public debt (excluding public sector banks) to GDP increasing to 98.5% from 94.5% in September 2023. The rise in borrowing was driven by higher interest payments and public sector pay rises, which offset an increase in revenues. For the current fiscal year to date (ending

T: (+965) 2229 5500, [econ@nbk.com](mailto:econ@nbk.com) Visit our publications | [Unsubscribe from this list](#) | [Comments & feedback](#)

© 2024 NBK | Disclaimer: While every care has been taken in preparing this publication, National Bank of Kuwait accepts no liability whatsoever for any direct or consequential losses arising from its use. Daily Economic Update is distributed on a complimentary and discretionary basis to NBK clients and associates. This report and previous issues can be found in the "News & Insight / Economic Reports" section of the National Bank of Kuwait's web site. Please visit our web site, [www.nbk.com](http://www.nbk.com), for other bank publications.

March) government debt increased by £79.6 billion, significantly higher than the Office of Budget Responsibility's (OBR) projection of a £73 billion rise over the same period. A much higher fiscal deficit than the OBR forecast would further complicate the Chancellor's mandate in her upcoming budget next week, which has been strongly suggested to be a painful one.

**Oman: Credit expands by 3.3% in August.** Bank credit grew 3.3% in August, reaching a total of OMR31.4 billion, and coming in slightly lower than July's reading of 3.4% y/y growth. Private sector credit grew by 2.8% y/y, reaching a total balance of OMR26.3 billion also slightly lower than the 3.0% y/y growth seen in July. Non-financial companies had the biggest share of credit at 44.9% followed by retail at 45.2%. Oman's credit trends continue to show solid performance including credit directed to the private sector, which supports a positive outlook for the non-oil sector. The projected decline in interest rates in 2025 will help both credit and the economy as well.

## Daily market indicators

Stock markets	Index	Change (%)	
		Daily	YTD
<b>Regional</b>			
Abu Dhabi (ADI)	9,246	-0.31	-3.46
Bahrain (ASI)	1,990	-0.17	0.94
Dubai (DFMGI)	4,467	-0.24	10.04
Egypt (EGX 30)	30,427	-0.06	22.53
GCC (S&P GCC 40)	701	-0.27	-1.60
Kuwait (All Share)	7,014	-0.19	2.88
KSA (TASI)	11,957	-0.43	-0.09
Oman (MSM 30)	4,796	-0.08	6.25
Qatar (QE Index)	10,573	-0.32	-2.38
<b>International</b>			
CSI 300	3,958	0.57	15.35
DAX	19,422	-0.20	15.94
DJIA	42,925	-0.02	13.89
Eurostoxx 50	4,939	-0.04	9.24
FTSE 100	8,307	-0.14	7.41
Nikkei 225	38,412	-1.39	14.79
S&P 500	5,851	-0.05	22.67
3m interbank rates	%	Change (bps)	
		Daily	YTD
Bahrain	6.02	-0.07	-50.44
Kuwait	3.94	0.00	-37.50
Qatar	6.00	0.00	-25.00
UAE	4.49	-18.48	-83.26
Saudi	5.61	1.01	-62.59
SOFR	4.63	-0.54	-70.51

Bond yields	%	Change (bps)	
		Daily	YTD
<b>Regional</b>			
Abu Dhabi 2027	4.38	3.00	5.9
Oman 2027	5.15	6.00	-0.7
Qatar 2026	4.51	3.00	-0.9
Kuwait 2027	4.32	3.00	-2.0
Saudi 2028	4.61	2.00	8.9
<b>International 10YR</b>			
US Treasury	4.21	1.20	34.7
German Bund	2.32	3.85	28.7
UK Gilt	4.17	2.95	62.8
Japanese Gvt Bond	0.98	3.00	36.4

Exchange rates	Rate	Change (%)	
		Daily	YTD
KWD per USD	0.31	-0.15	-0.38
KWD per EUR	0.33	-0.17	0.06
USD per EUR	1.08	-0.17	-2.17
JPY per USD	151.06	0.15	7.09
USD per GBP	1.30	-0.01	2.00
EGP per USD	48.66	0.08	57.73

Commodities	\$/unit	Change (%)	
		Daily	YTD
Brent crude	76.04	2.36	-1.30
KEC	73.67	-0.01	-7.40
WTI	72.09	2.17	0.61
Gold	2744.2	0.77	33.06

Quoted prices/rates collected after close of last trading day (or are most recent available)

Source: LSEG / Haver

T: (+965) 2229 5500, [econ@nbk.com](mailto:econ@nbk.com) Visit our publications | Unsubscribe from this list | Comments & feedback

© 2024 NBK | Disclaimer: While every care has been taken in preparing this publication, National Bank of Kuwait accepts no liability whatsoever for any direct or consequential losses arising from its use. Daily Economic Update is distributed on a complimentary and discretionary basis to NBK clients and associates. This report and previous issues can be found in the "News & Insight / Economic Reports" section of the National Bank of Kuwait's web site. Please visit our web site, [www.nbk.com](http://www.nbk.com), for other bank publications.