

Treasury Daily Newsletter

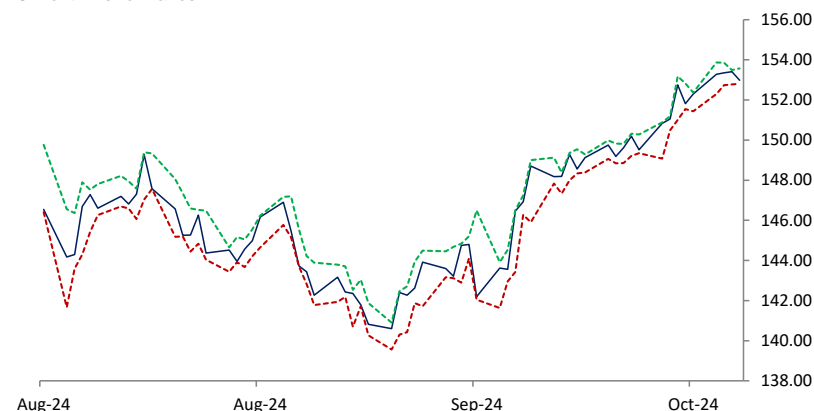
31-Oct-24

Kuwaiti Dinar Today 0.30630 / 0.30640

Key Market Highlights:

- The Bank of Japan (BoJ) maintained its key short-term interest rate at 0.25% in October, its highest level since 2008, aligning with market expectations. This decision was made amid political changes in Japan and upcoming U.S. elections. Governor Kazuo Ueda expressed concerns over global economic uncertainty, noting that the BoJ has time to evaluate risks after recent rate hikes in March and July. The BoJ remains open to further rate hikes if economic conditions meet its forecasts. In its quarterly outlook, the BoJ reaffirmed its 2024 core inflation forecast at 2.5%, with inflation expected to be around 1.9% in FY 2025 and FY 2026. GDP growth projections are kept at 0.6% for 2024, with 1.1% for FY 2025 and 1.0% for FY 2026.
- The latest ADP National Employment Report showed a significant increase of 233,000 jobs in U.S. non-farm, private employment, more than double the forecasted 110,000. This surge signals strong economic growth, as the ADP report often predicts government non-farm payrolls, which will be released soon. Job creation has accelerated from the previous month's 143,000 increase, indicating a healthy labor market likely to support consumer spending and overall economic growth. The report's strength could impact Federal Reserve policy, potentially strengthening the case for a 25 bps reduction rather than the previous cut of 50 bps. This data is also seen as a positive indicator for the US dollar as it shows that the labor market remains resilient.

USD/JPY
3-Month Performance



Technical Levels	Support 2	Support 1	Spot	Resistance 1	Resistance 2
EUR	1.0760	1.0800	1.0848	1.0880	1.0900
GBP	1.2870	1.2900	1.2948	1.3000	1.3040
JPY	151.80	152.40	152.89	153.90	154.60
CHF	0.8580	0.8600	0.8655	0.8725	0.8800

Currencies	Closing	YTD %	Closing	YTD %	
EUR/USD	1.0855	1.69	EUR/GBP	0.8374	3.37
GBP/USD	1.2962	1.74	GBP/JPY	198.84	10.26
USD/JPY	153.41	8.33	EUR/JPY	166.53	6.55
USD/CHF	0.8666	2.82	EUR/CHF	0.9408	1.12

Brief Technical Commentary

The EURUSD price tested 1.0865 resistance and started to bounce bearishly from there, still suggesting bearish trend in intraday and short-term basis, looking to break 1.0830 to ease the mission to continue the decline.

The USDJPY price is confined between support of 152.75 and resistance of 153.65, waiting for bullish momentum and the 4H EMA50 to keep supporting at 152.75 to continue the main bullish trend.

Commodities	Last Price	% Change	Global Indices	Last Price	% Change
Kuwait Oil	73.72	0.96	Dow Jones	42,141.54	0.22
Brent	73.03	0.66	Nikkei 225	39,277.39	0.96
West Texas	69.10	0.71	S&P 500	5,813.67	0.32
Gold	2,785.95	0.01	KuwaitSE	7,113.40	0.04

Economic Events	Country	Event	Actual	Forecast	Previous
29-Oct-24	USD	CB Consumer Confidence	108.7	99.2	98.7
29-Oct-24	USD	JOLTS Job Openings	7.44M	7.92M	8.04M
30-Oct-24	AUD	CPI q/q	0.2%	0.3%	1.0%
30-Oct-24	AUD	CPI y/y	2.1%	2.3%	2.7%
30-Oct-24	EUR	German Prelim CPI q/q	0.4%	0.2%	0.0%
30-Oct-24	USD	ADP Non-Farm Employment Change	233K	101K	143K
30-Oct-24	USD	Advance GDP q/q	2.8%	3.0%	3.0%
31-Oct-24	CNY	Manufacturing PMI	50.1	50.0	49.8
31-Oct-24	JPY	Monetary Policy Statement			
1-Nov-24	USD	Non-Farm Employment Change		111K	254K

Local & Global Rates (%)	O/N	1-Month	3-Month	6-Month	1-Year
KWD	2.06	3.69	3.94	4.13	4.31
USD	4.82	4.67	4.57	4.42	4.17
EUR	3.15	3.15	3.06	2.89	2.58
GBP	4.95	4.78	4.68	4.50	4.24

Government Yields (%)	1-Year	2-Year	5-Year	10-Year	30-Year
United States	4.23	4.17	4.14	4.27	4.47
Germany	2.41	2.32	2.26	2.39	2.62
United Kingdom	4.55	4.33	4.22	4.35	4.83
Japan	0.30	0.43	0.56	0.93	2.20

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