

Treasury Daily Newsletter

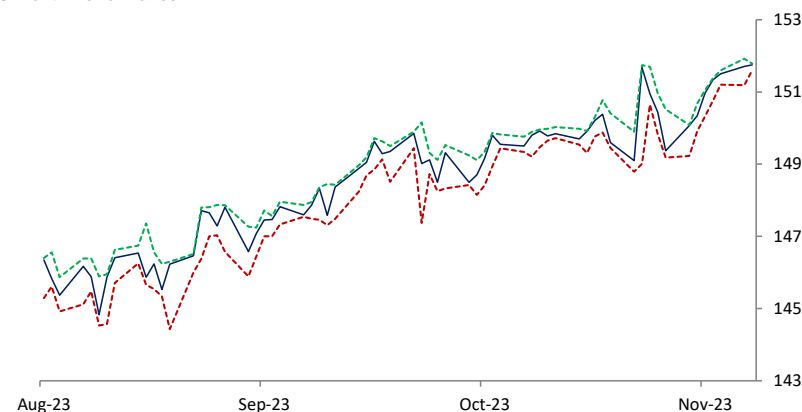
14-Nov-23

Kuwaiti Dinar Today 0.30885 / 0.30895

Key Market Highlights:

- US inflation figures due later will help shape the direction of markets after a rally driven by bets that the Fed's rate-hike cycle is nearly over. Markets are predicting inflation slowed to an annual 3.3% from 3.7% in September. Federal Reserve Vice Chair Philip Jefferson and Chicago Fed President Austan Goolsbee may also provide clues on the rate path as they are due to speak at separate events later today. The greenback remained steady around the 105.7 level while gold prices remained supported near \$1,945 as investors cautiously await the CPI data.
- Japanese Finance Minister Shunichi Suzuki spoke today, sticking to his usual rhetoric that excessive swings in JPY were undesirable and that the government would take all possible steps necessary to respond to fluctuations. The Japanese yen is trading near its weakest level since October 2022, with the pair last seen trading at 151.70 as the yen shed nearly 16% of its value YTD. Meanwhile in China, shares traded higher ahead of highly anticipated talks between US President Joe Biden and Chinese President Xi Jinping at the Asia-Pacific Economic Cooperation summit this week.
- Moving to oil, prices gained ground for a fourth day, marking the longest run of gains in over two months. Prices are supported by signs that the demand outlook is better than previously expected. So far, supply flows are not affected by the war in Gaza, and shipments from Russia and the US have increased. The price for Brent crude is down nearly 15% from its \$97.7 peak in September, last seen at \$82.86 after gaining 1.8% so far this week.

USD/JPY 3-Month Performance



Technical Levels	Support 2	Support 1	Spot	Resistance 1	Resistance 2
EUR	1.0560	1.0630	1.0695	1.0740	1.0805
GBP	1.2175	1.2230	1.2270	1.2315	1.2360
JPY	150.65	151.25	151.70	152.20	153.00
CHF	0.8900	0.8975	0.9025	0.9050	0.9100

Currencies	Closing	YTD %	Closing	YTD %	
EUR/USD	1.0697	0.08	EUR/GBP	0.8711	1.46
GBP/USD	1.2278	1.41	GBP/JPY	186.27	17.37
USD/JPY	151.7100	15.71	EUR/JPY	162.29	15.64
USD/CHF	0.9016	2.40	EUR/CHF	0.9645	2.48

Brief Technical Commentary

Quiet overnight trading with the Pound holding onto gains as market participants await this morning's UK employment data. 1.2300/10 above is GBPUSD's resistance area of focus.

As the low volatility, carry trade-supportive environment persists, the JPY continues to be the market's favoured funding currency. USDJPY made a new cycle high yesterday and continues to trade better bid.

Commodities	Last Price	% Change	Global Indices	Closing	% Change
Kuwait Oil	87.44	1.13	Dow Jones	34,337.87	0.16
Brent	86.61	0.02	Nikkei 225	32,585.11	0.05
West Texas	78.96	0.25	S&P 500	4,411.55	0.08
Gold	1,944.79	0.06	KuwaitSE	6,560.26	0.69

Economic Events	Country	Event	Actual	Forecast	Previous
13-Nov-23	CNY	New Loans	738B	660B	2310B
14-Nov-23	GBP	Claimant Count Change		15.0K	20.4K
14-Nov-23	USD	Core CPI m/m		0.3%	0.3%
14-Nov-23	USD	CPI y/y		3.3%	3.7%
15-Nov-23	AUD	Wage Price Index q/q		1.3%	0.8%
15-Nov-23	CNY	Industrial Production y/y		4.5%	4.5%
15-Nov-23	GBP	CPI y/y		4.7%	6.7%
15-Nov-23	USD	Core PPI m/m		0.3%	0.3%
15-Nov-23	USD	Core Retail Sales		-0.2%	0.6%
16-Nov-23	AUD	Employment Change		22.8K	6.7K

Local & Global Rates (%)	O/N	1-Month	3-Month	6-Month	1-Year
KWD	3.75	4.06	4.31	4.50	4.75
USD	5.32	5.32	5.38	5.42	5.33
EUR	3.90	3.83	3.99	4.07	4.04
GBP	5.19	5.20	5.24	5.27	5.20

Government Yields (%)	1-Year	2-Year	5-Year	10-Year	30-Year
United States	5.34	5.04	4.66	4.63	4.74
Germany	3.65	3.15	2.65	2.71	2.90
United Kingdom	4.98	4.64	4.33	4.32	4.74
Japan	-0.06	0.09	0.40	0.85	1.74

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