

## Treasury Daily Newsletter

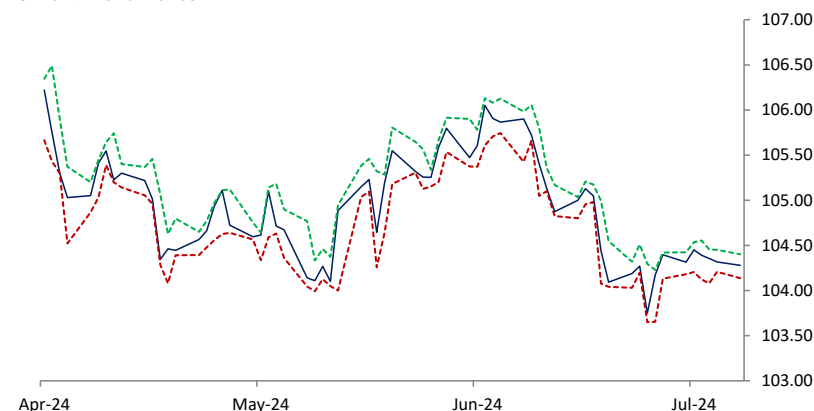
29-Jul-24

Kuwaiti Dinar Today 0.30550 / 0.30560

### Key Market Highlights:

- In June 2024, personal consumption expenditures (PCE) increased by \$57.6 billion, or 0.3%, reflecting a rise in consumer spending on both goods and services. The PCE price index, which measures inflation, rose by 0.1% from the previous month and 2.5% year-over-year. Excluding food and energy, the core PCE price index increased by 0.2% monthly and 2.6% annually. Personal income in the US increased by \$50.4 billion, or 0.2%, driven by gains in compensation and personal current transfer receipts.
- Real gross domestic product in the US increased at an annual rate of 2.8% in the second quarter of the year, up from 1.4% in the first quarter. The increase reflected a rise in consumer spending, which was seen in both services and goods. In services, the leading contributors to the increase were healthcare, housing, utilities, and recreation services. Where in goods, motor vehicles and parts, recreational goods, and household equipment were the biggest contributors to the increase. Personal income increased \$237.6 billion, compared to \$396.8 billion. Disposable personal income rose \$186.3 billion, marking a 3.6% increase compared to 4.8% the previous quarter. While personal saving as a percentage of disposable income was 3.5%, compared to 3.8% in the first quarter.
- In July, core consumer prices in Japan rose by 2.2% y/y. matching markets forecasts and slightly accelerating from June's 2.1% increase. This marks the third consecutive month of rising inflation in Japan's capital. Excluding fresh food and fuel costs, inflation increased by 1.5% down from 1.8% in June. The figures come a week before the Bank of Japan's policy meeting, where markets are pricing in a 70% chance of a rate hike.

**US Dollar Index**  
3-Month Performance



Technical Levels	Support 2	Support 1	Spot	Resistance 1	Resistance 2
EUR	1.0740	1.0800	1.0860	1.0920	1.0950
GBP	1.2775	1.2800	1.2877	1.2950	1.3000
JPY	152.00	152.75	153.55	154.75	155.31
CHF	0.8700	0.8775	0.8833	0.8940	0.9000

Currencies	Closing	YTD %	Closing	YTD %	
EUR/USD	1.0857	1.63	EUR/GBP	0.8434	2.70
GBP/USD	1.2872	1.10	GBP/JPY	197.89	10.01
USD/JPY	153.7200	8.78	EUR/JPY	166.93	7.06
USD/CHF	0.8836	4.97	EUR/CHF	0.9591	3.27

### Brief Technical Commentary

EUR 4 hour chart seems to be stuck at the 1.0875-1.09 as a bearish trend coming up for the upcoming week of central banks decisions. The 1.0950 seems to be the first resistance and we expect some volatile close to the 1.0710.

Cable seems to be in place for the upcoming BOE decision this Thursday, weekly chart indicates a higher trend as its new target would be the 1.3140. Any bearish sentiment will surely test the 1.27 and 1.26 levels.

Commodities	Last Price	% Change	Global Indices	Last Price	% Change
Kuwait Oil	85.39	0.54	Dow Jones	40,589.34	1.64
Brent	81.55	0.42	Nikkei 225	37,667.41	0.53
West Texas	77.52	0.36	S&P 500	5,459.10	1.10
Gold	2,393.75	0.34	KuwaitSE	7,177.71	0.32

Economic Events	Country	Event	Actual	Forecast	Previous
30-Jul-24	USD	CB Consumer Confidence		99.8	100.4
30-Jul-24	USD	JOLTS Job Openings			8.14M
31-Jul-24	JPY	BOJ Policy Rate			
31-Jul-24	USD	ADP Non-Farm Employment Change		166K	150K
31-Jul-24	USD	Federal Funds Rate			
31-Jul-24	CNY	Manufacturing PMI		49.3	49.5
31-Jul-24	EUR	Core CPI Flash Estimate y/y		2.8%	2.9%
1-Aug-24	GBP	Official Bank Rate			
2-Aug-24	USD	ISM Manufacturing PMI		49.0	48.5
2-Aug-24	USD	Unemployment Rate		4.1%	4.1%

Local & Global Rates (%)	O/N	1-Month	3-Month	6-Month	1-Year
KWD	2.31	4.00	4.25	4.44	4.69
USD	5.35	5.35	5.26	5.09	4.75
EUR	3.64	3.62	3.66	3.59	3.43
GBP	5.20	5.11	5.07	4.97	4.76

Government Yields (%)	1-Year	2-Year	5-Year	10-Year	30-Year
United States	4.77	4.37	4.06	4.18	4.44
Germany	3.04	2.67	2.33	2.40	2.62
United Kingdom	4.49	3.90	3.89	4.09	4.66
Japan	0.19	0.39	0.59	1.02	2.12

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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).