

Treasury Daily Newsletter

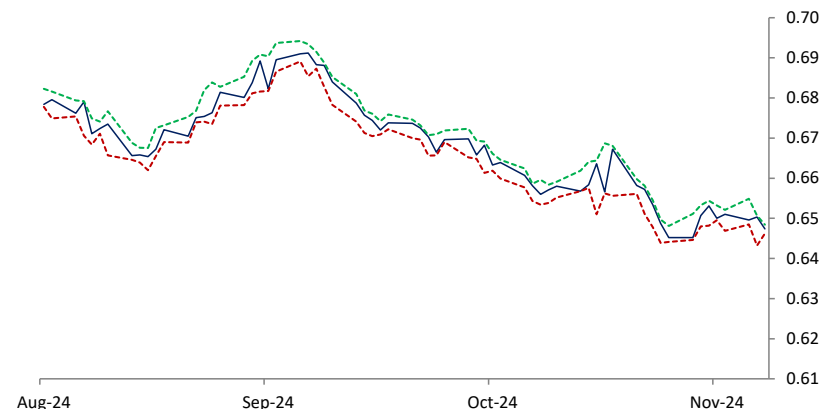
27-Nov-24

Kuwaiti Dinar Today 0.30750 / 0.30760

Key Market Highlights:

- Minutes from the Federal Reserve's November 6-7 meeting revealed optimism about easing inflation and a resilient labor market, supporting the potential for gradual interest rate cuts. Officials emphasized that future decisions depend on economic trends and warned against premature rate reductions. They noted challenges in policymaking due to data volatility and uncertainty about the neutral rate's effects. While some participants favored maintaining restrictive rates if inflation persisted, others suggested faster cuts if labor market conditions weakened. The meeting avoided discussing the economic impact of Donald Trump's election victory but stressed the importance of flexibility in policy.
- Australia's Consumer Price Index (CPI) increased by 2.1% year-on-year in October 2024, unchanged from September but below the 2.3% forecast. This marks the lowest reading since July 2021 and the third consecutive month within the Reserve Bank of Australia's target range of 2-3%, aided by the Energy Bill Relief Fund rebate. Electricity prices recorded a record drop (-35.6% vs -24.1% in September), and automotive fuel prices continued to decline (-11.5% vs -14.0%). However, prices for food (3.3%), alcohol and tobacco (6.0%), health (3.9%), education (6.3%), and recreation & culture (4.3%) remained elevated. Excluding volatile items and travel, core CPI rose by 2.4%, down from 2.7% in September, marking the slowest growth since November 2021.

AUD/USD
3-Month Performance



Technical Levels	Support 2	Support 1	Spot	Resistance 1	Resistance 2
EUR	1.0360	1.0415	1.0480	1.0530	1.0600
GBP	1.2450	1.2500	1.2570	1.2600	1.2650
JPY	151.30	151.90	152.30	152.90	153.40
CHF	0.8760	0.8800	0.8855	0.8915	0.8960

Currencies	Closing	YTD %	Closing	YTD %	
EUR/USD	1.0486	5.01	EUR/GBP	0.8343	3.85
GBP/USD	1.2568	1.20	GBP/JPY	192.40	6.57
USD/JPY	153.10	7.88	EUR/JPY	160.58	2.50
USD/CHF	0.8862	5.18	EUR/CHF	0.9296	0.05

Brief Technical Commentary

EURUSD maintains below the (1.0500) handle and is currently at (1.0480). U.S GDP and Core PCE index data may have enough to be a catalyst for a move higher or lower. Support is at (1.0415) followed by (1.0360). If the pair manages to trade above the figure than it may test the resistance at (1.0530). The pair is approaching oversold territories again (RSI 34.30- Daily)

USDJPY has dropped from (154.70) to (152.30) since Monday. A breakout below the 152 figure will push the yen to test support at (151.90), the 200 day SMA, followed by (151.30). The Yen is still trading above the 50,100, 200 day SMA (Daily chart).

Commodities	Last Price	% Change	Global Indices	Last Price	% Change
Kuwait Oil	74.94	1.01	Dow Jones	44,860.31	0.28
Brent	72.88	0.10	Nikkei 225	38,097.40	1.02
West Texas	68.80	0.04	S&P 500	6,021.63	0.57
Gold	2,644.40	0.47	KuwaitSE	7,786.10	0.19

Economic Events	Country	Event	Actual	Forecast	Previous
25-Nov-24	NZD	Retail Sales q/q	-0.1%	-0.5%	-1.2%
26-Nov-24	USD	CB Consumer Confidence	111.7	112.0	108.7
26-Nov-24	USD	FOMC Meeting Minutes			
27-Nov-24	AUD	CPI y/y	2.1%	2.5%	2.1%
27-Nov-24	NZD	Official Cash Rate	4.25%	4.25%	4.75%
27-Nov-24	NZD	Monetary Policy Statement			
27-Nov-24	USD	Core PCE Price Index m/m		0.3%	0.3%
28-Nov-24	AUD	RBA Gov Bullock Speaks			
29-Nov-24	JPY	Tokyo Core CPI y/y		2.0%	1.8%
30-Nov-24	CNY	Manufacturing PMI		50.3	50.1

Local & Global Rates (%)	O/N	1-Month	3-Month	6-Month	1-Year
KWD	3.50	3.75	4.00	4.13	4.31
USD	4.58	4.57	4.51	4.43	4.30
EUR	3.17	3.08	2.99	2.71	2.42
GBP	4.70	4.70	4.66	4.56	4.39

Government Yields (%)	1-Year	2-Year	5-Year	10-Year	30-Year
United States	4.36	4.24	4.16	4.28	4.47
Germany	2.26	1.99	2.02	2.18	2.40
United Kingdom	4.52	4.33	4.22	4.33	4.84
Japan	0.47	0.59	0.74	1.07	2.30

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