

Treasury Daily Newsletter

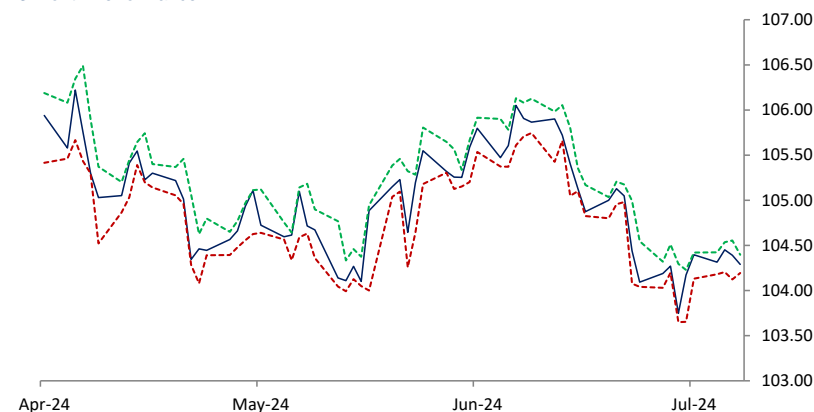
25-Jul-24

Kuwaiti Dinar Today 0.30540 / 0.30550

Key Market Highlights:

- Oil prices experienced a decline on Thursday, reversing the upward trend of the previous session. The primary factors driving this decrease were growing concerns over diminished demand in China, the world's leading crude oil consumer, coupled with the anticipation of a potential ceasefire agreement in the Middle East. These bearish influences overshadowed the positive impact of the previous day's report from the Energy Information Administration, which indicated a drawdown of U.S. crude inventories exceeding market expectations. Additionally, The Energy Information Administration reported a larger-than-expected drawdown in U.S. crude stocks for the previous week, while gasoline and distillate inventories also showed significant declines compared to analyst forecasts. However, these factors were insufficient to offset the negative impact of weakening Chinese demand and the potential for a Middle Eastern peace deal.
- In its July 2024 meeting, the Bank of Canada cut its key interest rate by 25 basis points to 4.5%, following a similar cut in June. This decision was influenced by excess supply in the economy, which has helped slow inflation, and signs of moderation in the labor market. The central bank believes that lower interest rates will help reduce mortgage and shelter costs, major drivers of inflation. The Governing Council expects CPI inflation to decrease in the latter half of the year due to base effects for gasoline prices and to stabilize at 2% in 2025.

US Dollar Index
3-Month Performance



Technical Levels	Support 2	Support 1	Spot	Resistance 1	Resistance 2
EUR	1.0770	1.0800	1.0840	1.0870	1.0920
GBP	1.2810	1.2850	1.2890	1.2940	1.2970
JPY	151.30	151.90	152.60	153.20	153.80
CHF	0.8730	0.8785	0.8830	0.8865	0.8910

Currencies	Closing	YTD %	Closing	YTD %	
EUR/USD	1.0839	1.82	EUR/GBP	0.8397	2.98
GBP/USD	1.2906	1.21	GBP/JPY	198.57	9.60
USD/JPY	153.8700	8.25	EUR/JPY	166.79	6.34
USD/CHF	0.8851	4.90	EUR/CHF	0.9594	3.05

Brief Technical Commentary

The pair's price continues to press on the 1.0840 level, waiting to confirm breaking that level to open the way to head to 1.0775 level. The pair currently is at 1.0840 support levels at (1.0800-1.0770).

The pair price continued to decline breaking the first target of 153.65, starting the day with more decline heading towards the next correctional level of 151.10. The pair is currently trading at 152.60 support levels at (151.90-151.30).

Commodities	Last Price	% Change	Global Indices	Last Price	% Change
Kuwait Oil	85.02	1.04	Dow Jones	39,853.87	1.25
Brent	81.11	0.60	Nikkei 225	37,869.51	3.28
West Texas	77.01	0.58	S&P 500	5,427.13	2.30
Gold	2,375.21	0.94	KuwaitSE	7,145.84	0.13

Economic Events	Country	Event	Actual	Forecast	Previous
24-Jul-24	EUR	Flash Manufacturing PMI	44.1	46.0	45.8
24-Jul-24	GBP	Flash Manufacturing PMI	50.7	51.1	50.9
24-Jul-24	CAD	BOC Monetary Policy Report			
24-Jul-24	USD	Flash Services PMI	56.0	54.5	55.3
25-Jul-24	USD	Advance GDP q/q		1.9%	1.4%
25-Jul-24	EUR	ECB President Lagarde Speaks			
25-Jul-24	ALL	G20 Meetings			
25-Jul-24	USD	Unemployment Claims		239K	243K
26-Jul-24	JPY	Tokyo Core CPI y/y		2.2%	2.1%
26-Jul-24	USD	Core PCE Price Index m/m		0.2%	0.1%

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	5.34	5.35	5.28	5.14	4.82
EUR	3.58	3.62	3.69	3.64	3.51
GBP	5.20	5.12	5.09	5.00	4.80

Government Yields (%)	1-Year	2-Year	5-Year	10-Year	30-Year
United States	4.80	4.38	4.11	4.25	4.53
Germany	3.05	2.69	2.36	2.45	2.68
United Kingdom	4.51	3.97	3.93	4.14	4.67
Japan	0.19	0.38	0.62	1.06	2.15

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