Daily Market Commentary

Gulf Bank Treasury Sales Desk

CBK USD/KWD

0.30770 0.30780



April 24, 2024

Foreign Exchange Development

The dollar nursed its wounds on Wednesday following big tumbles against the euro and sterling, but the yen remained mired near 34-year lows even as Japanese officials stepped up intervention warnings.

The U.S. dollar index - which measures the currency against six major peers including the euro, sterling and yen - edged 0.07% lower to 105.60 in early Asian trading after slumping 0.4% overnight and touching the lowest level since April 12 at 105.23.

The Aussie climbed 0.45% to \$0.65185, after pushing as high as \$0.6525 for the first time since April 12 in the initial reaction to the data.

Oil prices were slightly higher on Wednesday after industry data showed a surprise drop in U.S. crude stocks last week, a positive sign for demand, though markets were also keeping a close eye on hostilities in the Middle East.

Gold prices edged lower on Wednesday, as fears of an escalation in the Middle East conflict eased, while investors waited for crucial U.S. economic data that could shed more light on the timing of interest rate cuts.

| Currencies & Commodities | | | | | | | |
|--------------------------|--------|---------|-------|-------|--|--|--|
| Currency | Price | MTD% | 3M% | YTD% | | | |
| EUR/USD | 1.0705 | -0.80 | -1.67 | -3.04 | | | |
| GBP/USD | 1.2455 | -1.35 | -2.14 | -2.18 | | | |
| USD/CHF | 0.9122 | 1.14 | 5.70 | 8.37 | | | |
| USD/JPY | 154.88 | 2.34 | 4.98 | 9.78 | | | |
| AUD/USD | 0.6516 | 0.00 | -0.93 | -4.33 | | | |
| USD/CAD | 1.3667 | 0.95 | 1.06 | 3.18 | | | |
| USD INDEX | 105.68 | 0.00 | 0.00 | 0.00 | | | |
| Gold | Silver | KWT OSP | Brent | WTI | | | |
| 2325.68 | 27.34 | 91.64 | 88.45 | 84.37 | | | |



Economic Updates

The Bank of England will wait until next quarter to lower borrowing costs, according to median forecasts in a Reuters poll, although almost half of those surveyed said the central bank would cut interest rates in June.

Japan's annual business-to-business service inflation accelerated for the second month to hit 2.3% in March, data showed on Wednesday, suggesting firms continued to pass on rising labour costs thanks to prospects for sustained wage gains.

Saudi Arabia's economy will grow at a slower pace this year than previously predicted as oil prices drop from recent peaks, according to a Reuters poll which also showed the United Arab Emirates expanding at the fastest clip in the region.

Emirati and Omani companies have signed deals worth (\$35.12 billion) in sectors including energy and transport during the Omani ruler's visit to the UAE this week.

| Global Markets | | | | | | | | |
|----------------|-----------|---------|---------|----------|--|--|--|--|
| Index | Price | Change | MTD% | YTD% | | | | |
| DOWJONES | 38,503.69 | 263.71 | -3.27 | 2.16 | | | | |
| FTSE 100 | 8,044.81 | 20.94 | 1.16 | 4.03 | | | | |
| KUWAIT ALL | 7,074.70 | 2.79 | -3.45 | 3.78 | | | | |
| Benchmark | 1 Month | 3 Month | 6 Month | 12 Month | | | | |
| TERM SOFR | 5.31685 | 5.32355 | 5.29770 | 5.21061 | | | | |
| EURIBOR | 3.8190 | 3.8910 | 3.8500 | 3.7340 | | | | |
| KIBOR | 4.0625 | 4.3125 | 4.5000 | 4.6875 | | | | |
| SAIBOR | 5.82309 | 6.22662 | 6.01589 | 5.91825 | | | | |
| Benchmark | 1 Year | 3 Year | 5 Year | 10 Year | | | | |
| US TRSY | 5.124 | 4.787 | 4.647 | 4.615 | | | | |
| Benchmark | ON | 3 Month | 6 Month | 12 Month | | | | |
| CBK BOND | - | 4.375 | 4.500 | 4.625 | | | | |
| SOFR | 5.310 | | | | | | | |
| Country | KWT | US | EURO | UK | | | | |
| INT. RATES | 4.250 | 5.500 | 4.00 | 5.250 | | | | |

| Upcoming Indicators / Events | | | | | | | | |
|-------------------------------|----------------|-------------------------|--------|----------|--|--|--|--|
| Date | Country | Indicator Name | Prior | Forecast | | | | |
| 24Apr | United States | Durable Goods | 1.30 | 2.7 | | | | |
| 25Apr | United States | GDP Advance | 3.40 | 2.43 | | | | |
| 25Apr | United Kingdom | GfK Consumer Confidence | -21.00 | -19.7 | | | | |
| 26Apr | United States | PCE Price Index YY | 3 | 2.63 | | | | |
| 29Apr | Germany | CPI Prelim YY | 2.20 | | | | | |
| 30Apr | Germany | GDP Flash YY NSA | -0.40 | | | | | |
| 30Apr | Euro Zone | HICP Flash YY | 2.40 | | | | | |
| Source: Reuters and Bloomberg | | | | | | | | |

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