

### Foreign Exchange Development

The dollar was back on the front foot on Wednesday, making modest gains after earlier losses from renewed bets on Federal Reserve rate cuts this year, while the yen eased towards the 155 per dollar level and kept intervention risks from Tokyo high.

The euro and New Zealand dollar edged 0.02% lower each to \$1.0752 and \$0.6000, respectively.

Sterling dipped 0.08% to \$1.2499, ahead of the Bank of England's policy decision on Thursday, where focus will be on how soon the central bank could begin cutting rates.

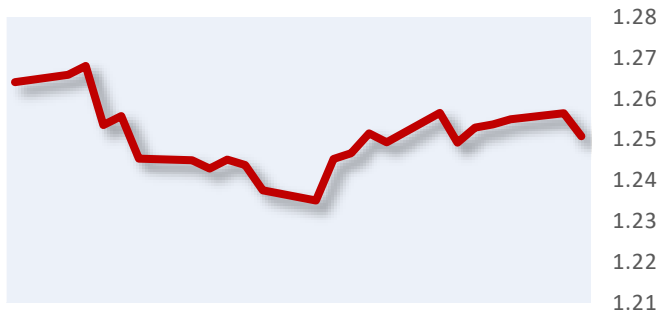
Oil prices fell in early Asian trade on Wednesday as industry data showed a pile up in both crude and fuel inventories in the U.S., a sign of weak demand, and cautious supply expectations emerged ahead of an OPEC+ policy meeting next month.

Gold prices dipped on Wednesday as the dollar edged up, while market participants assessed the timeline for potential U.S. interest rate cuts and were on the lookout for fresh cues for further clarity on monetary policy.

### Currencies & Commodities

| Currency  | Price  | MTD%    | 3M%   | YTD%  |
|-----------|--------|---------|-------|-------|
| EUR/USD   | 1.0740 | 0.68    | -0.35 | -2.70 |
| GBP/USD   | 1.2491 | -0.05   | -1.05 | -1.92 |
| USD/CHF   | 0.9093 | -1.14   | 4.03  | 8.00  |
| USD/JPY   | 155.22 | -1.64   | 3.95  | 10.03 |
| AUD/USD   | 0.6580 | 1.61    | 1.31  | -3.44 |
| USD/CAD   | 1.3753 | -0.18   | 2.21  | 3.83  |
| USD INDEX | 105.56 | -0.62   | 1.44  | 4.17  |
| Gold      | Silver | KWT OSP | Brent | WTI   |
| 2321.38   | 27.43  | 86.68   | 83.00 | 80.17 |

### GBP/USD - 1 Month



### Economic Updates

Inflation lodged above the U.S. Federal Reserve's 2% target could leave policymakers saddled with the difficult choice in coming months of how much risk to take with economic growth and the job market for what may only be modest further improvements in the pace of price increases.

The ECB is set to cut rates before the US Federal Reserve for the first time in its history. Hardliners warn that will weaken the euro and feed inflation. But the effects are likely to be muted.

Most stock markets in the Gulf were subdued on Tuesday amid rising geopolitical tension in the region, while the Abu Dhabi index advanced on upbeat corporate earnings.

Aramco expects to pay \$31 billion in dividends to the Saudi government and its shareholders despite reporting lower earnings for the first quarter on Tuesday, hit by lower oil prices and volumes sold.

### Global Markets

| Index      | Price     | Change  | MTD%    | YTD%     |
|------------|-----------|---------|---------|----------|
| DOWJONES   | 38,884.26 | 31.99   | 2.83    | 3.17     |
| FTSE 100   | 8,313.67  | 100.18  | 2.08    | 7.51     |
| KUWAIT ALL | 7,026.40  | -17.31  | -0.35   | 3.07     |
| Benchmark  | 1 Month   | 3 Month | 6 Month | 12 Month |
| TERM SOFR  | 5.31987   | 5.32322 | 5.28738 | 5.14518  |
| EURIBOR    | 3.8520    | 3.8240  | 3.7910  | 3.6580   |
| KIBOR      | 4.0625    | 4.3125  | 4.5000  | 4.6875   |
| SAIBOR     | 5.97602   | 6.26970 | 6.16261 | 5.95185  |
| Benchmark  | 1 Year    | 3 Year  | 5 Year  | 10 Year  |
| US TRSY    | 5.122     | 4.644   | 4.481   | 4.469    |
| 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 |
|-------|----------------|-------------------------|--------|----------|
| 10May | United Kingdom | GDP Prelim YY           | -0.20  | -0.03    |
| 10May | United States  | U Mich Sentiment Prelim | 77.20  | 76.20    |
| 14May | Germany        | HICP Final YY           | 2.40   | 0        |
| 14May | United Kingdom | ILO Unemployment Rate   | 4.20   | 0.00     |
| 14May | United States  | PPI Machine Manuf'ing   | 182.80 | 0.00     |
| 15May | United States  | CPI YY, NSA             | 3.50   | 0.000    |
| 15May | United States  | Retail Sales MM         | 0.70   | 0.41     |

Source: Reuters and Bloomberg