Daily Market Commentary

Gulf Bank Treasury Sales Desk

CBK USD/KWD

0.30745 0.30755



May 8, 2024

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			



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				

Opcoming 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 Manufing	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 Bloombera								

Unaaming Indicators / Evants

The material made available in this presentation is for information purposes only and cannot be used and/or Any reliance you place on such information is therefore entirely at your own risk. It is the responsibility of the user/reader to check the accuracy of relevant facts before entering into any financial or other commitment based upon them. In no event will Gulf Bank be held liable in contract, tort (including relied upon for any other purpose. Gulf Bank makes no representations or warranties of any kind, either express or implied, as to the completeness, accuracy, reliability or suitability of the information, products or services contained herein or their fitness to your business or needs whatsoever. without limitation negligence) and/or breach of statutory duty for any direct, indirect, special, incidental or consequential loss or damage (including but not limited to any economic loss and/or loss of profits) arising out of or in connection with the use of this newsletter or the information contained therein. For further information please contact our Treasury Sales Desk at TSD@aulfhank corn kwyra zi 272082752 / 2420