

Daily Market Commentary

Gulf Bank Treasury Sales Desk



CBK USD/KWD

0.30825

0.30835

December 7, 2023

Foreign Exchange Development

The euro languished near a three week low on Thursday as traders intensified bets that the European Central Bank will start cutting rates from March next year, while the dollar was steady ahead of a crucial payrolls data later this week.

The dollar index, which measures the U.S. currency against six rivals, was little changed at 104.12, having risen 0.17% overnight. The index is up 0.9% this week, on course for its strongest weekly performance since July.

Elsewhere, the Japanese yen strengthened 0.16% to 147.07 per dollar. The offshore Chinese yuan eased 0.02% to \$7.1717 per dollar. The Australian dollar added 0.03% to \$0.655.

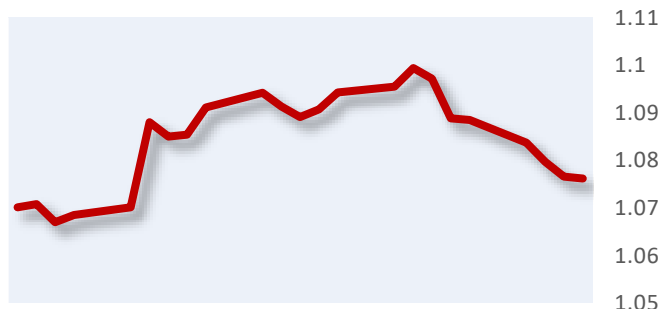
Oil prices recouped some of their losses in early Asian trading but remained at the lowest levels since June, after falling in the previous session on high U.S. crude output and gasoline inventories.

Gold prices rose on Thursday, as signs of a cooling U.S. labour market supported bets of an interest rate cut early next year.

Currencies & Commodities

Currency	Price	MTD%	3M%	YTD%
EUR/USD	1.0758	-1.19	0.53	0.50
GBP/USD	1.2547	-0.63	0.55	3.68
USD/CHF	0.8762	0.07	-1.90	-5.27
USD/JPY	146.77	-0.96	-0.36	11.94
AUD/USD	0.6529	-1.18	2.37	-4.20
USD/CAD	1.361	0.32	-0.56	0.41
USD INDEX	104.15	0.63	-0.87	0.61
Gold	Silver	KWT OSP	Brent	WTI
2025.90	23.80	80.51	74.32	69.08

EUR/USD - 1 Month



Economic Updates

China's exports grew for the first time in six months in November, beating economists' forecasts and suggesting factories in the world's second-largest economy may be finding their footing after a bruising slump in demand at home and abroad.

The U.S. Federal Reserve will hold interest rates until at least July, later than earlier thought, according to a slim majority of economists in a Reuters poll who said the first cut would be to adjust the real rate of interest, not the start of stimulus.

Kuwait supports the decision of OPEC+ on reduction of oil output and is committed to the additional voluntary oil cut by 135,000 barrels per day for three months starting Jan. 1, Kuwaiti state news agency said on Wednesday, citing Minister of Oil Saad Al Barrak.

Global Markets

Index	Price	Change	MTD%	YTD%
DOWJONES	36,054.43	-41.06	0.29	8.77
FTSE 100	7,515.38	25.54	0.83	0.85
KUWAIT ALL	6,655.40	17.52	0.02	-8.73
Benchmark	1 Month	3 Month	6 Month	12 Month
TERM SOFR	5.36582	5.38013	5.31006	5.03216
EURIBOR	3.8650	3.9580	3.9530	3.7850
KIBOR	4.0625	4.3125	4.5000	4.7500
SAIBOR	5.83374	6.38310	6.16130	6.15015
Benchmark	1 Year	3 Year	5 Year	10 Year
US TRSY	5.062	4.372	4.164	4.170
Benchmark	-	3 Month	6 Month	12 Month
CBK BOND		4.375	4.500	4.625
Country	KWT	US	EURO	UK
INT. RATES	4.250	5.500	4.00	5.250

Upcoming Indicators / Events

Date	Country	Indicator Name	Prior	Forecast
07Dec	Euro Zone	GDP Revised YY	0.1	0.09
08Dec	Germany	CPI Final YY	3.2	3.2
08Dec	Japan	GDP Revised QQ	-0.5	-0.46
08Dec	Germany	HICP Final YY	2.3	2.3
08Dec	United States	Non-Farm Payrolls	150k	185.1k
08Dec	United States	Unemployment Rate	3.9	3.88
08Dec	United States	U Mich Sentiment Prelim	61.3	62.42

Source: Reuters and Bloomberg

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@gulfbank.com.kw or at 2241 2530 / 2244 4628