



Market Commentary KFH Treasury

Report produced on
11-Mar-2025



Forex Market

JAPANESE YEN



CLOSE
147.26

1M %chg
-3.11%

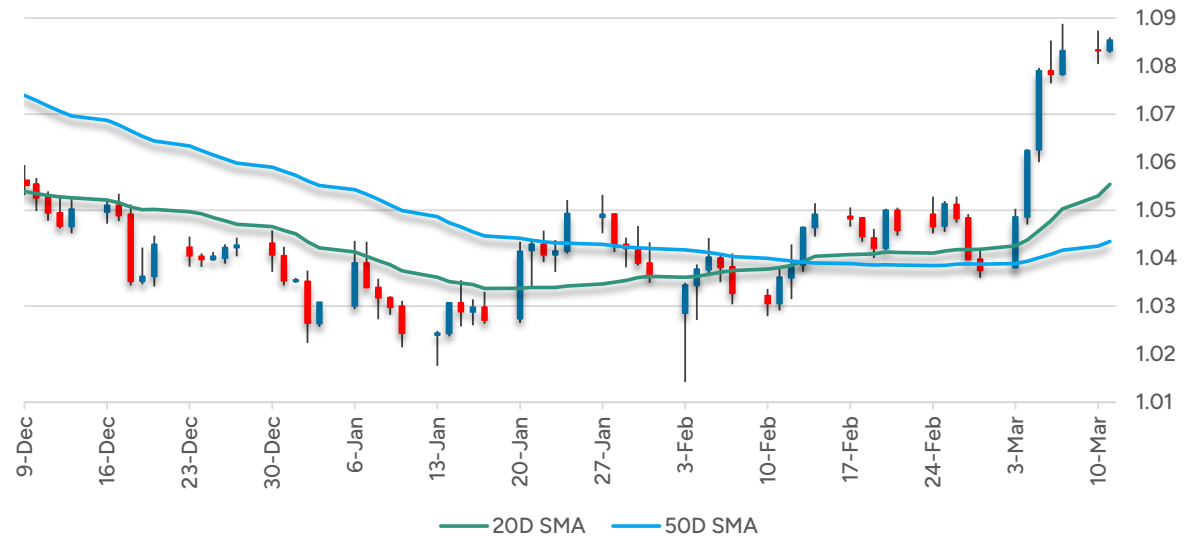
3M %chg
-3.09%

USD/JPY marginally lower in Asia, JPY crosses heavier too

11 Mar 2025 07:27:15 AM

- * The yen again shining with USD/JPY continuing lower and JPY crosses heavy
- * USD/JPY eclipsed yesterday's 146.63 low, 146.55-147.29 EBS in Asia today
- * Extension down from high early, followed by bounce but sky seen falling
- * Resistance from area of 147.16 hourly Ichimoku tenkan
- * Still descending hourly Ichimoku cloud 147.61-148.12 above
- * Some support from massive, \$1.3 bln option expiries between 146.45-65 today
- * Stops eyed on 145.90-146.00 break but \$695 mln option expiries 145.45-65 too

EURO



CLOSE
1.0832

1M %chg
5.10%

3M %chg
2.91%

EUR/USD-Higher as stocks, commodities, UST yields slip

11 Mar 2025 07:05:27 AM

- * +0.2%, with the USD -0.15%, as stocks, commodities, UST yields fall in Asia
- * White House pushes back against recession talk as worries grow, stocks tank
- * Charts- 5, 10 & 21-day moving averages climb, as 21-day Bolli bands rise
- * Positive daily momentum studies - daily signals retain the topside bias
- * Friday's 1.0888 top, then the 1.0937 Nov 2024 high are the next resistance
- * Thursday's 1.0766 low, and then the 1.0722 200 DMA are initial supports
- * 1.0800 488mln and 1.0875 586mln, 1.0885 1.482BLN close March 11th strikes

Forex Market



POUND STERLING



CLOSE

1.2874

1M %chg

4.11%

3M %chg

0.83%

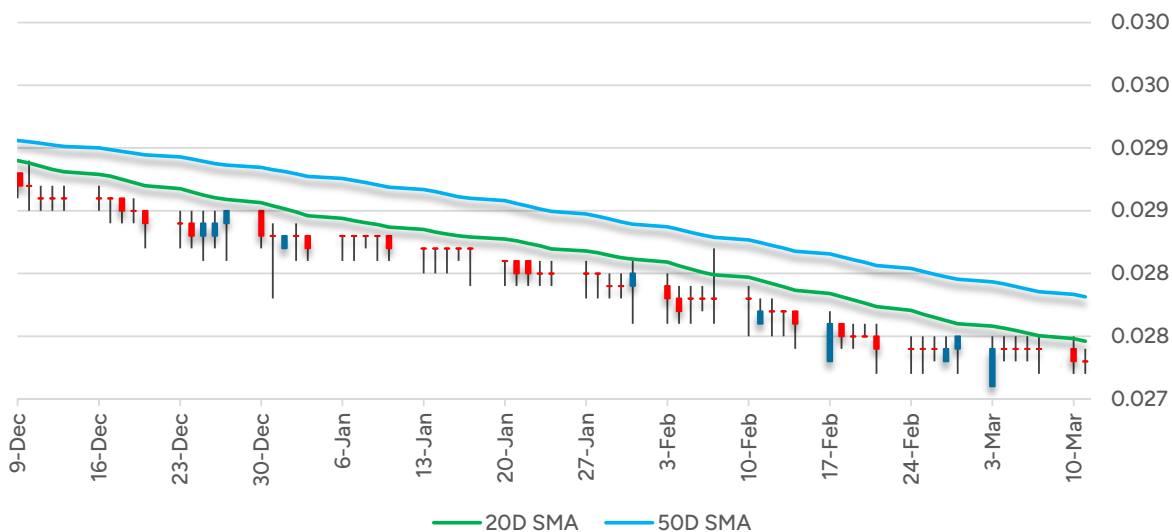
GBP/USD-Firms with the softer USD in a sea of red ink

11 Mar 2025 06:56:36 AM

- * +0.05% in a low-key 1.2873-1.2892 range on FX Matching with the USD -0.1%
- * Proposed US tariffs are undermining stocks - Nas-emini -1%, and cap the USD
- * Charts - 5, 10 & 21-day MAs climb, as 21-day Bollinger bands head north
- * Neutral daily momentum studies - uptrend stalled, bias remains higher
- * 1.2789 200 DMA and then last Tuesday's 1.2679 low are initial supports
- * The 1.3046 range top in November 2024 is the next significant resistance
- * A sustained break of the 1.2679 21-day moving average ends the topside bias



TURKISH LIRA



CLOSE

0.0273

1M %chg

-1.80%

3M %chg

-4.88%

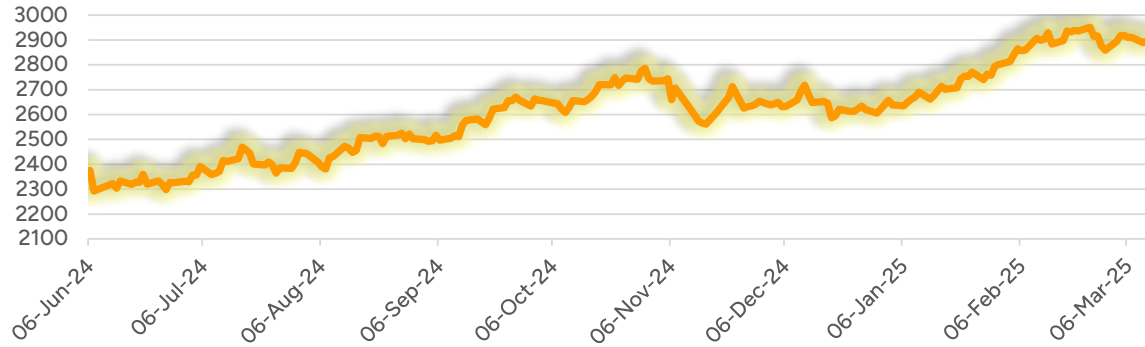
Turkish industrial output drops 2.3% month-on-month in January

10 Mar 2025 11:12:27 AM

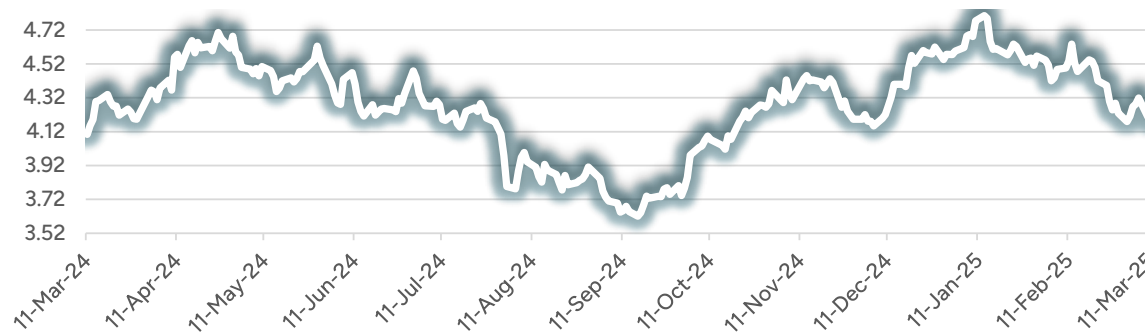
ISTANBUL, March 10 (Reuters) - Turkey's industrial production fell 2.3% month-on-month in January on a seasonally and calendar-adjusted basis, official data showed on Monday, with the manufacturing index dropping 3.0% from a month earlier. Industrial output increased 1.2% year-on-year in January, according to the Turkish Statistical Institute, after rising 7.0% year-on-year in December.

Gold, US Treasury & Dollar Index

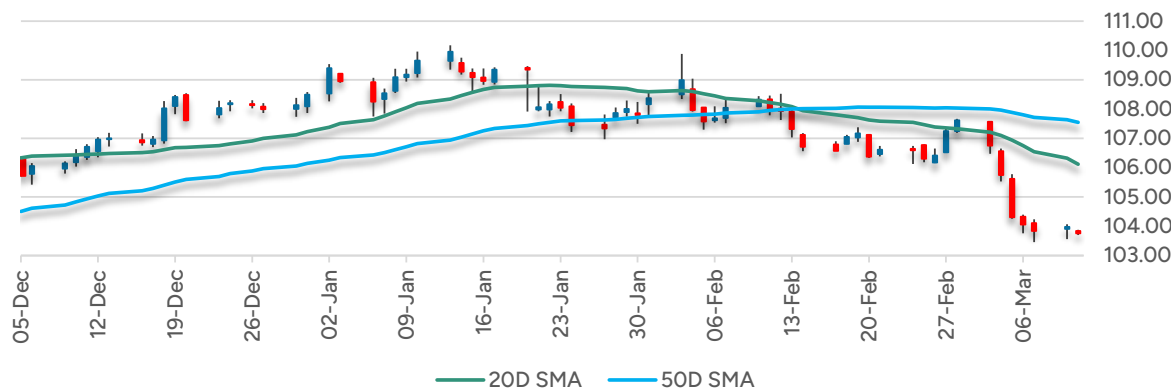
GOLD



10Y US-TREASURY



DOLLAR INDEX



US 10YT YIELD

4.18

1M %chg

-6.27%

3M %chg

-0.19%

PRECIOUS-Gold firms as dollar softens, safe-haven flows rise; US data awaited

11 Mar 2025 07:06:42 AM

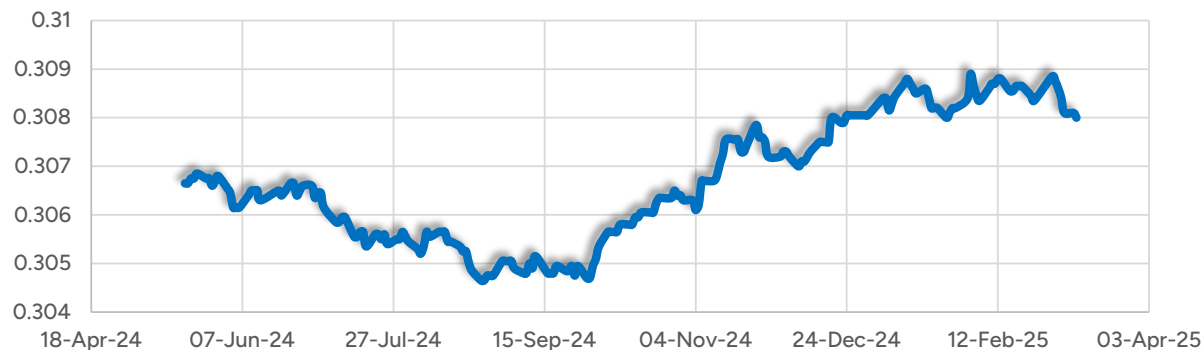
March 11 (Reuters) - Gold rose on Tuesday on a weak dollar and safe-haven demand, as investors awaited inflation data to assess the Federal Reserve's policy path amid fears of simmering trade tensions and slowing economic growth following U.S. President Donald Trump's tariffs. Spot gold rose 0.3% to \$2,897.39 an ounce, while U.S. gold futures were steady at \$2,900.80. The dollar index was near a four-month low hit last week, making bullion less expensive for overseas buyers, while benchmark 10-year U.S. Treasury yields fell. Trump imposed new 25% tariffs on imports from Mexico and Canada last Tuesday, along with fresh duties on Chinese goods. Investors now await U.S. Consumer Price Index (CPI) data on Wednesday to analyse the Fed's interest rate stance going forward. Gold is seen as a hedge against political risks and inflation, but higher rates reduce the non-yielding metal's appeal. Spot silver was unchanged at \$32.11 an ounce, platinum added 0.15 to \$958.25, and palladium slipped 0.6% to \$937.00.

UPCOMING KEY ECONOMIC INDICATOR RELEASES

INDICATOR	Ctry / Regn	Time	For	Prior	Consensus
Business Survey Index*	JP	11/Mar 05:20	Q1	6.3	
Corp Goods Price MM	JP	11/Mar 05:20	Feb	0.3	-0.1
Corp Goods Price YY	JP	11/Mar 05:20	Feb	4.2	4.0
BRC Retail Sales YY	GB	11/Mar 05:31	Feb	2.5	
Redbook YY *	US	11/Mar 18:25	w/e	6.6	
Foreign Bond Investment	JP	12/Mar 05:20	w/e	1514.2	
Foreign Invest JP Bonds*	JP	12/Mar 05:20	w/e	776.5	
Foreign Stock Investment*	JP	12/Mar 05:20	w/e	626.9	
Foreign Invest JP Stock	JP	12/Mar 05:20	w/e	-708.3	
MBA 30-Yr Mortgage Rate	US	12/Mar 16:30	w/e	6.73	
MBA Mortgage Applications	US	12/Mar 16:30	w/e	20.4	

Daily Market Report

KWD - CBK FIX



MARKET SUMMARY

INSTRUMENT	OPEN	HIGH	LOW	CLOSE	%CHG 1D
EUR	1.0833	1.0874	1.0804	1.0832	0.00%
GBP	1.2903	1.2946	1.2858	1.2874	-0.36%
JPY	147.87	147.96	146.61	147.26	-0.52%
TRY	0.0274	0.0275	0.0272	0.0273	-0.36%
Dollar Idx	103.905	104.064	103.559	103.975	0.13%
Brent	70.49	70.88	69.05	69.28	-1.53%
WTC	67.73	67.85	66.19	66.31	-1.46%
Gold	2910.67	2918.19	2879.99	2889.3975	-0.73%
KWSE Index	8042.42	8070.09	7939.09	8067.36	0.32%

KIBOR RATES

Tenor	Value	Tenor	Value
ON	2.13	3M	3.94
SW	3.44	6M	4.13
1M	3.69	1Y	4.38

CENTRAL BANK OF KUWAIT

KWD (CBK FIX) CLOSE

0.30800

3M% CHG

0.29%

POLICY RATES INDICATOR	As of	Value	Prior	Change
ON Repo Rate	19/Sep/'24	3.63	3.88	-0.25
1W Repo Rate	19/Sep/'24	3.88	4.13	-0.25
1M Repo Rate	19/Sep/'24	4.13	4.38	-0.25
KWD ON Rate	19/Sep/'24	10.00	10.00	0.00
Discount Rate	19/Sep/'24	4.00	4.25	-0.25

SOFR RATES

Tenor	Value	Tenor	Value
ON	4.35	3M	4.40
1W	4.36	6M	4.65
1M	4.35	1Y	5.09
2M	4.35		

OTHER C-BANK RATES

INDICATOR	As of	Value	Prior	Change
FED Target Rate	18/Dec/'24	4.50	3.75	0.75
ECB Refinancing Rate	06/Mar/'25	2.65	2.90	-0.25
BOE Bank Rate	06/Feb/'25	4.50	4.50	0.00
BOJ Prime Rate	11/Mar/'25	2.35	2.20	0.15
TRY ON Lending Rate	06/Mar/'25	44.00	46.50	-2.50

KEY INTERNATIONAL STORIES

Fed to deliver rapid-fire rate cuts if economic downturn happens, traders bet

March 10 (Reuters) - The Federal Reserve won't lower interest rates at its policy meeting next week, but could deliver the first of a set of rapid-fire reductions in borrowing costs in June if rising fears of an economic downturn triggered by a trade war materialize. The Fed has kept its policy rate unchanged this year after cutting it by a full percentage point in 2024. Policymakers will have more data to sift through this week, with a report on job openings due on Tuesday and the release of the Consumer Price Index for February on Wednesday.

UK retail sales slow after January bounce, BRC data shows

LONDON, March 11 (Reuters) - British consumer spending lost momentum last month after a bounce at the start of the year, despite households' rising confidence in their personal finances and the broader economy, surveys of retailers and consumers showed on Tuesday. The British Retail Consortium said sales at its member stores - mostly large retail chains - rose by 1.1% year-on-year in February, slowing from January's robust 2.6% growth which had been helped by post-Christmas discounts. Barclays spending data was based on debit and credit card spending between January 25 and February 21.

Euro zone investor morale brightens substantially in March

FRANKFURT, March 10 (Reuters) - Investor morale in the euro zone brightened substantially in March, with economic expectations hitting their highest reading since July 2021, a survey showed on Monday, as Germany's plans for new debt contributed to the positive sentiment. The overall Sentix index for the currency union shot up to -2.9 in March from -12.7 in February, beating expectations from analysts polled by Reuters for a rise to -8.4. The indicator focused on economic expectations for the next six months rose for a third time in a row to 18.0 in March from 1.0 the month before, according to the survey.

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Japan downgrades Q4 GDP, US tariffs cloud outlook

TOKYO, March 11 (Reuters) - Japan's economy expanded in the October-December quarter at a slower pace than initially reported, weighed by weaker consumption but still likely supporting the case for further interest rate hikes. Gross domestic product (GDP) expanded an annualised 2.2% in the three months to December, the Cabinet Office's revised data showed on Tuesday, slower than the 2.8% growth in the initial estimate and economists' median forecast. Private consumption, which accounts for more than half of economic activity, was unchanged versus the preliminary reading of 0.1% uptick.

Thailand aims for over 3% growth with \$4.4 billion stimulus

BANGKOK, March 10 (Reuters) - Thailand's government wants to lift economic growth above its 3% target this year and is confident a strong first half will be followed by momentum from the next phase of its signature stimulus programme and measures worth 150 billion baht (\$4.4 billion), officials said on Monday. The government is pinning its hopes on the flagship 450 billion baht (\$13.3 billion) "digital wallet" scheme, which transfers 10,000 baht (\$300) to an estimated 45 million people, to jumpstart an economy that has struggled since the pandemic. Fourth quarter growth last year missed expectations, coming in at 3.2%.

Oil prices slip on concerns over tariffs, slowdown fears

March 11 (Reuters) - Oil prices fell for a second day on Tuesday, as concerns mounted over a potential U.S. recession, the impact of tariffs on global growth and as OPEC+ sets its sight on ramping up supply. Brent futures fell 6 cents, or 0.1%, to \$69.22 a barrel, while U.S. West Texas Intermediate crude futures lost 13 cents, or 0.2%, to \$65.90 a barrel. U.S. President Donald Trump's protectionist policies have roiled markets across the world, with Trump imposing and then delaying tariffs on his country's biggest oil suppliers, Canada and Mexico, while also raising duties on Chinese goods. China and Canada have responded with tariffs of their own.