



Market Commentary KFH Treasury

Report produced on
29-Apr-2025



Forex Market

JAPANESE YEN



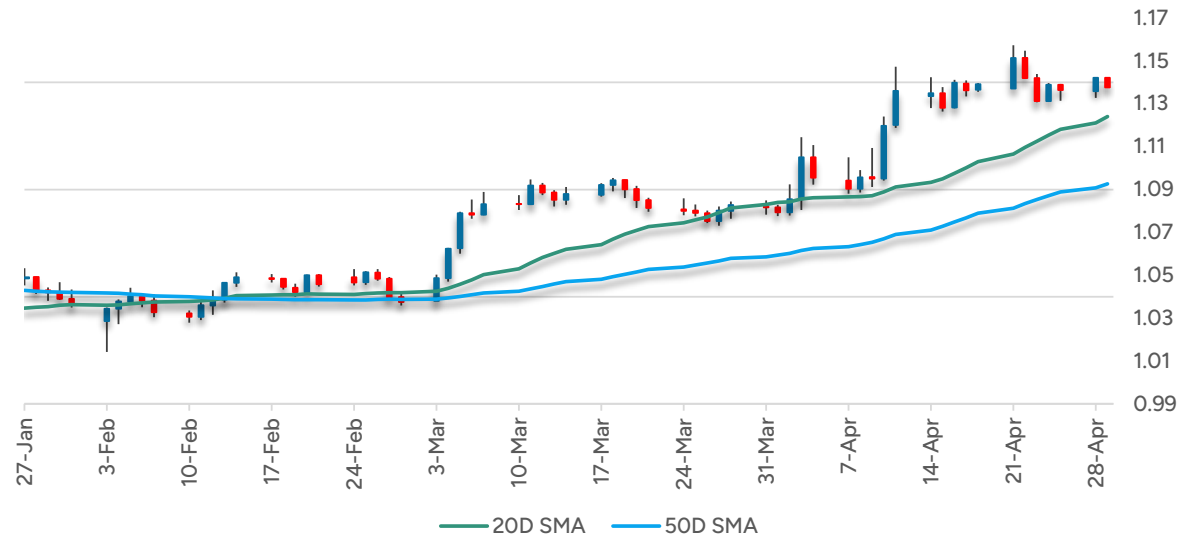
CLOSE **142.01** 1M %chg **-5.21%** 3M %chg **-8.69%**

USD/JPY-Inches higher on profit taking, upside limited

29 Apr 2025 06:05:57 AM

- * USD/JPY rallies 0.3% in Asia on profit taking after sharp drop Monday
- * Illiquid market exacerbates move; markets in Japan closed Tuesday
- * Upside limited as lower U.S. yields and "Sell USA" mood undermine USD
- * Uncertainty surrounding tariffs, negative outlook on U.S. economy weigh
- * U.S. jobs, GDP data, mega-cap earnings, U.S.-Japan trade talks key this week
- * BOJ rate decision Thu, expected to keep rates steady, warn of tariff risks
- * Support 141.95-142.00, 141.45-55, resistance 142.60--70, 142.90-143.00

EURO



CLOSE **1.1421** 1M %chg **5.49%** 3M %chg **9.52%**

EUR/USD-Opens higher on safe-haven flows as the US lustre dims

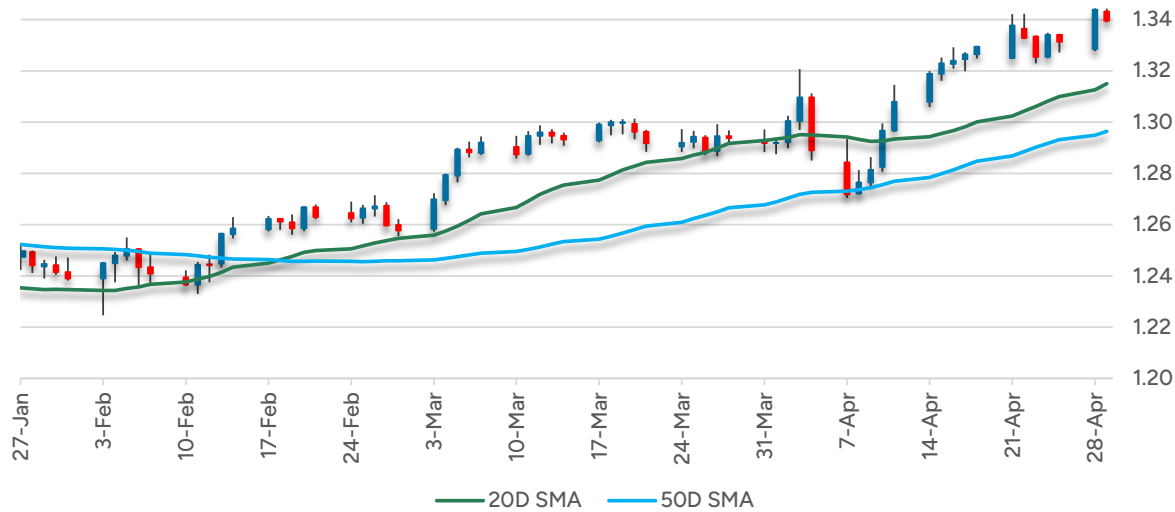
29 Apr 2025 03:40:54 AM

- * Off 0.1% after closing up 0.55% on safe-haven flows, with the USD down 0.65%
- * Power outage hit Spain, Portugal after a Franco-Spanish connection failure
- * Charts - 21-day Bollinger bands climb, 5, 10 & 21-day moving averages coil
- * Neutral daily momentum studies - the February/April uptrend remains stalled
- * Wednesday's 1.1440 top then last week's 1.1572 high are the first resistance
- * April 15th, 1.1264 base and then the 1.1221 21-DMA are initial supports
- * A close below the rising 1.1221 21-day moving average would be bearish

Forex Market



POUND STERLING



CLOSE

1.3439

1M %chg

3.87%

3M %chg

8.02%

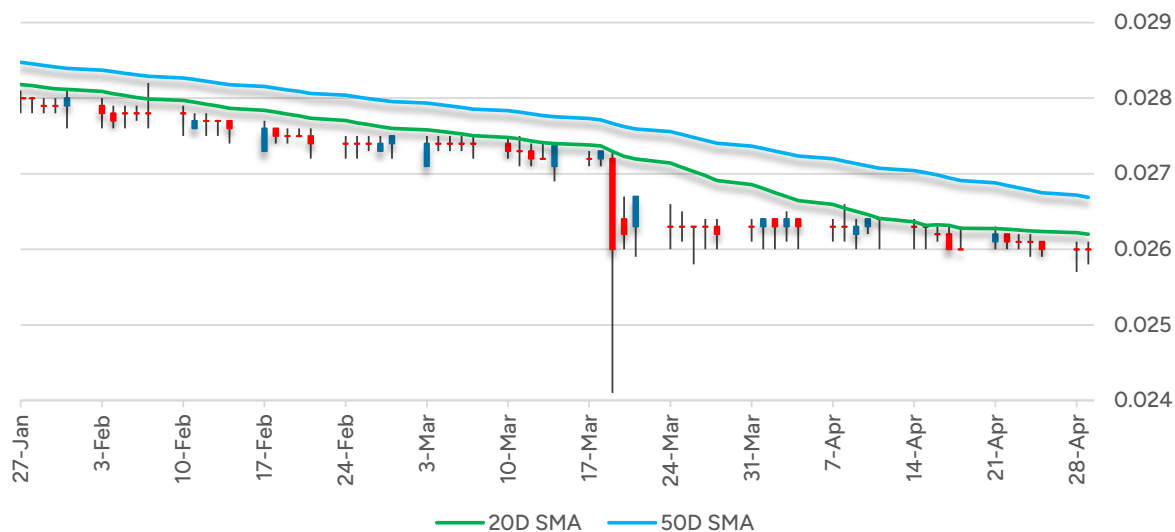
GBP/USD-2024 high under pressure as sterling attracts fans

29 Apr 2025 03:46:33 AM

- * Steady after closing up 1% with the U.S. dollar off 0.65%
- * GBP bid on inflows - FTSE 100 posts longest winning streak in more than 5yrs
- * UK food inflation at its highest in 11 months, likely to rise further, BRC
- * Easter in April is part of the price rise - next the Employment Rights Bill
- * Charts - 5, 10, & 21-day moving averages rise, as 21-day Bolli bands climb
- * Daily momentum studies rise - bullish signals, as the uptrend extends
- * 1.3203 Apr 17 low, then 1.3150 0.382% of the April rise is key support
- * The 2024 1.3434 high is under pressure - break targets the 1.3749 2021 top



TURKISH LIRA



CLOSE

0.0260

1M %chg

-0.76%

3M %chg

-7.14%

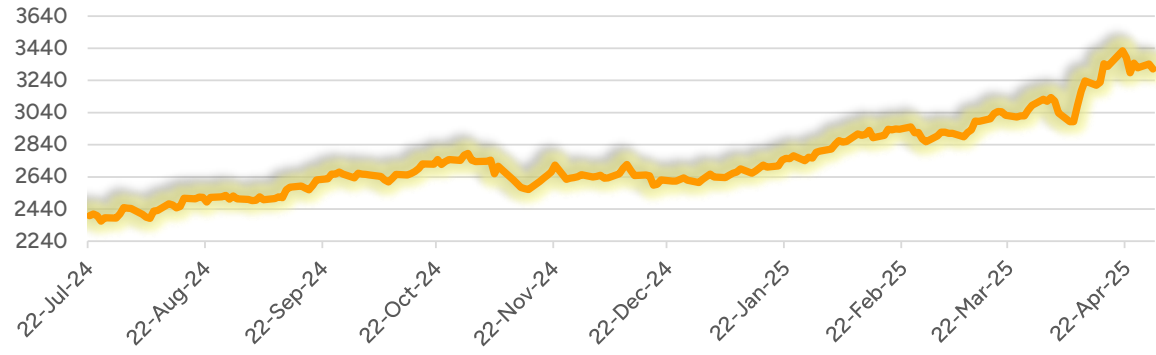
Turkey - Factors To Watch

29 Apr 2025 08:24:28 AM

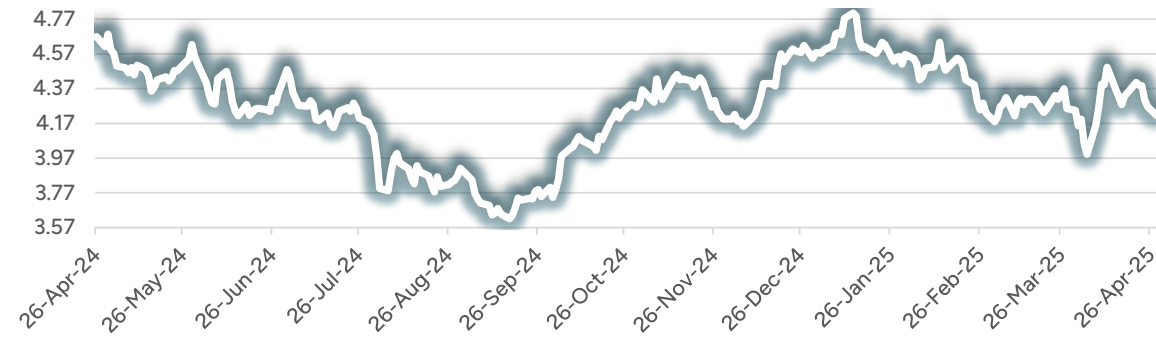
ISTANBUL, April 29 (Reuters) - The lira was quoted at 38.3680-38.4775 against the U.S. dollar, after closing at 38.4100 on Monday. The main BIST 100 share index closed 1.33% lower at 9,306.96 points on Monday.

Gold, US Treasury & Dollar Index

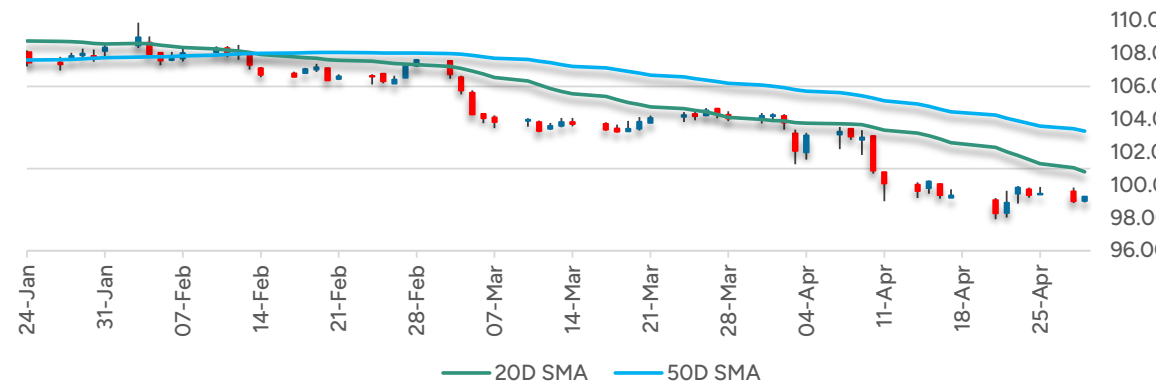
GOLD



10Y US-TREASURY



DOLLAR INDEX



US 10YT YIELD

4.22

1M %chg

-0.92%

3M %chg

-7.32%

PRECIOUS-Gold prices drop as tariff concerns ease, US data in focus

29 Apr 2025 08:40:05 AM

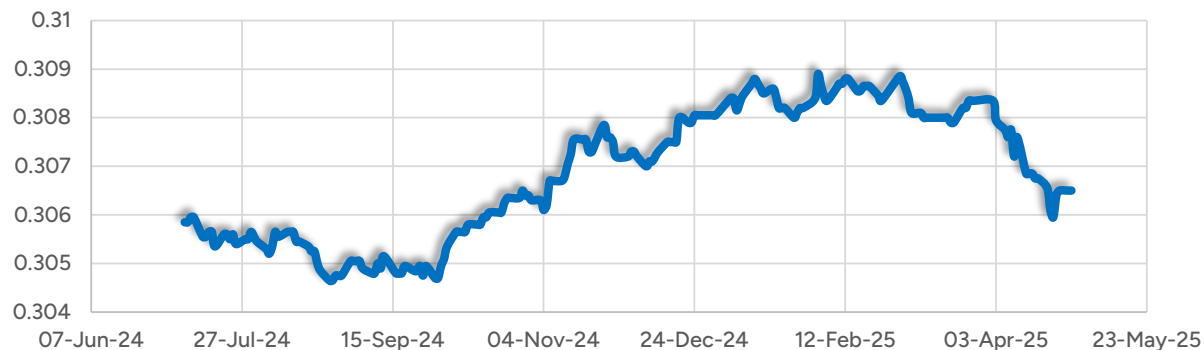
April 29 (Reuters) - Gold prices dropped nearly 1% on Tuesday as softening trade tensions between the U.S. and its trading partners dulled the metal's safe-haven appeal, while investors awaited U.S. economic data to assess the Federal Reserve's policy path. Spot gold was down 0.8% at \$3,314.99 an ounce. U.S. gold futures lost 0.7% to \$3,325.10. "The risk environment has clearly improved recently, with market participants buoyed by optimism that the worst of the trade tensions may be behind us amid encouraging rhetoric around trade deals," said IG market strategist Yeap Jun Rong. Bullion, traditionally seen as a hedge against political and financial instability, rose to an all-time high of \$3,500.05/oz last week due to elevated uncertainties. Investors will monitor economic data this week, including the U.S. job openings report later in the day, Personal Consumption Expenditures on Wednesday. Spot silver was down 0.5% at \$32.98 an ounce, platinum fell 0.2% to \$984.56 and palladium lost 0.4% to \$945.47.

UPCOMING KEY ECONOMIC INDICATOR RELEASES

INDICATOR	Ctry / Regn	Time	For	Prior	Consensus
Industrial O/P Prelim MM SA	JP	29/Apr 05:20	Mar	2.3	-0.4
IP Forecast 1 Mth Ahead	JP	29/Apr 05:20	Apr	0.6	
IP Forecast 2 Mth Ahead*	JP	29/Apr 05:20	May	0.1	
Large Scale Retail Sales YY*	JP	29/Apr 05:20	Mar	2	
Retail Sales YY	JP	29/Apr 05:20	Mar	1.4	3.5
Loans to Households*	EU	29/Apr 14:30	Mar	1.5	
Loans to Non-Fin*	EU	29/Apr 14:30	Mar	2.2	
Money-M3 Annual Grwth*	EU	29/Apr 14:30	Mar	4.0	4.0
Business Climate*	EU	29/Apr 15:30	Apr	-0.73	
Industrial Sentiment *	EU	29/Apr 15:30	Apr	-10.6	-10.1
Cons Infl Expec *	EU	29/Apr 15:30	Apr	24.4	

Daily Market Report

KWD - CBK FIX



MARKET SUMMARY

INSTRUMENT	OPEN	HIGH	LOW	CLOSE	%CHG 1D
EUR	1.1358	1.1424	1.1327	1.1421	0.50%
GBP	1.3285	1.3444	1.3277	1.3439	0.94%
JPY	143.49	143.89	141.97	142.01	-1.16%
TRY	0.026	0.0261	0.0257	0.026	0.00%
Dollar Idx	99.61	99.838	98.901	99.01	-0.46%
Brent	67.25	67.57	65.25	65.86	-1.51%
WTC	64.26	64.46	62.73	63.3	-0.86%
Gold	3327	3352.86	3267.0149	3341.365	0.70%
KWSE Index	7918.04	7932.13	7876.55	7901.22	-0.17%

KIBOR RATES

Tenor	Value	Tenor	Value
ON	2.19	3M	4.00
SW	3.56	6M	4.19
1M	3.75	1Y	4.44

CENTRAL BANK OF KUWAIT

KWD (CBK FIX) CLOSE

3M% CHG

0.30650

-0.55%

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
1M	4.32	6M	4.13
3M	4.28	1Y	3.86

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	17/Apr/'25	2.40	2.65	-0.25
BOE Bank Rate	20/Mar/'25	4.50	4.50	0.00
BOJ Prime Rate	10/Apr/'25	2.05	2.35	-0.30
TRY ON Lending Rate	17/Apr/'25	49.00	46.00	3.00

KEY INTERNATIONAL STORIES

Trump to reduce impact of auto tariffs, Commerce secretary says

WASHINGTON, April 28 (Reuters) - President Donald Trump's administration will move to reduce the impact of his automotive tariffs on Tuesday by alleviating some duties imposed on foreign parts in domestically manufactured cars and keeping tariffs on cars made abroad from piling on top of other ones, officials said. Automakers said earlier on Monday they were expecting Trump to issue relief from the auto tariffs ahead of his trip to Michigan, which is home to the Detroit Three automakers and more than 1,000 major auto suppliers.

UK retail sales drop less rapidly in April, CBI says

LONDON, April 28 (Reuters) - British retail sales volumes fell by the smallest amount since October this month but stores expect conditions to worsen next month, according to a survey on Monday that reflected ongoing concerns about growth and consumer confidence. The Confederation of British Industry's monthly gauge of how retail sales compared with a year earlier rose to -8 in April - its highest since October - from -41 in March, which had been the lowest reading since July 2024. The CBI's gauge of expected sales for May fell to -33, the lowest in more than a year.

Euro zone economy facing dark future, ECB policymakers warn

FRANKFURT, April 28 (Reuters) - A trade war with the United States could extinguish the euro zone's fledgling recovery and the bloc could struggle under tariffs, uncertainty and waning confidence, two European Central Bank policymakers warned on Monday. The euro zone economy is seen as having expanded by a modest 0.2% in the first quarter and policymakers have long predicted a recovery, which is now seen on hold, with risks skewed towards more negative outcomes. De Guindos took a more measured view on inflation, saying it was now set to hover around the bank's 2% target.

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China holds off on new stimulus, shows composure in US trade war

BEIJING, April 28 (Reuters) - China has advanced this year's stimulus plans but is holding off on fresh measures as it tries to maintain composure, betting on Washington blinking first in a protracted trade war. The decision to withhold additional stimulus disappointed investors, leading to a 3% slump in Chinese real estate stocks on Monday, despite official efforts to assuage market concerns over a sharp downturn in growth. In January-March, government spending rose 4.2% from a year earlier, while revenue fell 1.1%, resulting in a fiscal deficit of 1.26 trillion yuan (\$173 billion), the highest first-quarter reading on record, government data showed.

Brazil's current account gap no longer fully covered by FDI

BRASILIA, April 28 (Reuters) - Brazil's current account deficit over the past 12 months is no longer fully covered by foreign direct investment (FDI), despite a better-than-expected performance in March, central bank data showed on Monday. Brazil posted a current account deficit of \$2.245 billion in March, narrower than the \$2.95 billion gap forecast by economists polled by Reuters. Meanwhile, FDI inflows totaled \$5.99 billion in March, below the \$8.529 billion expected. As a result, the 12-month current account deficit edged down slightly to 3.21% of gross domestic product (GDP) from 3.28% in February.

Oil falls as economic jitters dampen demand outlook

SINGAPORE, April 29 (Reuters) - Crude oil prices fell on Tuesday as investors lowered their demand growth expectations due to the ongoing trade war between the United States and China, the world's two biggest economies. Brent crude futures fell by 44 cents, or 0.7%, to \$65.42 per barrel. U.S. West Texas Intermediate crude futures fell 40 cents, or 0.6%, to \$61.65 a barrel. Both benchmarks fell more than \$1 on Monday. Barclays cut its 2025 Brent crude price forecast by \$4 to \$70 a barrel, citing elevated trade tensions and a pivot in production strategy by the OPEC+ group as drivers of a 1 million barrel per day oil supply surplus this year.