

SAB Daily Market Update

Economic data



Local Time	Country	Indicator Name	Period	Actual	est.	Prior
-	-	-	-	-	-	-

Sunday, May 19, 2024

Market Update

• Dollar mostly flat as market mulls inflation outlook.

The dollar retreated against major currencies on Friday as market speculation continues to swirl about the timing of Federal Reserve interest rate cuts amid signs of cooling yet persistent inflation and a softening U.S. economy. While consumer prices for April, reported on Wednesday, rose less than expected - leading to a risk-on flavor in equity markets - various Fed officials have sounded words of caution about when rates may fall, limiting the dollar's decline this week. The dollar index , which tracks the U.S. currency against six peers, slid 0.04% to 104.44 after earlier trading about 0.3% higher. Futures markets reduced the outlook for lower U.S. rates, with less than 45 basis points of cuts seen by December, down from almost 50 on Wednesday, and a cut of 21 bps in September, down from almost 25 bps. U.S. inflation accelerated in the first quarter amid strong domestic demand after moderating for much of last year. Last month's slowdown was a relief after data on Tuesday showed a jump in producer prices in April. Policymakers said on Thursday that still-high inflation warrants keeping rates at current levels, and that reaching the Fed's 2% inflation target will take longer than previously thought. Even though markets are pricing European rate cuts beginning in June, recent data has shown some upside surprises. Germany's economy grew more than expected last quarter and investor morale is at a two-year high. Euro zone consumer inflation data on Friday came in at 2.4% year-on-year in April, in line with a Reuters poll. The euro rose 0.06% against the dollar to \$1.0872.

• Oil gains 1% on hopes of firmer demand.

Oil prices settled about 1% higher on Friday, with global benchmark Brent crude recording its first weekly gain in three weeks, after economic indicators from the world's top two oil consumers - China and the U.S. - bolstered hopes for higher demand. Brent settled 71 cents higher, or 0.9%, at \$83.98 a barrel. U.S. West Texas Intermediate crude (WTI) gained 83 cents, or 1.1%, to \$80.06. For the week, Brent gained about 1%, while WTI rose 2%. China's industrial output rose 6.7% year-on-year in April as a recovery in its manufacturing sector gathered pace, pointing to possibly stronger demand to come. China also announced major steps to stabilize its crisis-hit property sector. The Chinese figures showed potential for demand construction and supported oil prices, said Bob Yawger, director of energy futures at Mizuho. However, government data showing a drop in China's annual refined output may have offset that support. Recent U.S. economic indicators have fed into the optimism over global demand for oil. U.S. consumer prices rose less than expected in April, data showed on Wednesday, boosting expectations of lower interest rates.

Major Currency	Today (May 17 2024)	Change % (May 16 2024)
EUR/USD	1.0869	0.02
GBP/USD	1.2701	0.24
AUD/USD	0.6693	0.21
NZD/USD	0.6133	0.18
USD/CHF	0.9091	-0.32
USD/JPY	155.6500	-0.17
USD/CAD	1.36	0.04
USD/NOK	10.6807	0.18
USD/SEK	10.7256	-0.10
USD/CNY	7.2243	-0.04

Major Currency	Today (May 17 2024)	Change % (May 16 2024)
EUR/SAR	4.0808	0.02
GBP/SAR	4.7686	0.24
AUD/SAR	2.5129	0.21
NZD/SAR	2.3026	0.18
CHF/SAR	4.1299	-0.32
JPY/SAR	0.0241	-0.17
CAD/SAR	2.7582	0.04
NOK/SAR	0.3515	0.18
SEK/SAR	0.3501	-0.10
CNY/SAR	0.5197	-0.04

SAR SAIBOR	Today (May 16 2024)	Change % (May 15 2024)
1 Months	5.8681	-0.462
3 Months	6.2697	0.780
6 Months	6.0608	0.086

USD Term SOFR	Today (May 17 2024)	Change % (May 16 2024)
1 Months	5.3198	-0.006
3 Months	5.3258	0.001
6 Months	5.2832	0.097

US Treasury	Today (May 17 2024)	Change % (May 16 2024)
5-Year	4.45	1.00
10-Year	4.42	0.98

SAMA	Current	Previous
Repo	6.00	5.75
Reverse Repo	5.50	5.25
3 Month T-Bills	5.52100	5.52200
6 Month T-Bills	5.53300	5.53400
1 Year T-Bills	5.53600	5.53600

*1 Source: Reuters and Bloomberg

Major Events Coming Up

Key events

Date	Country	Event
20-May	UK	House Price Rightmove MM
21-May	Euro Zone	Total Trade Balance SA
22-May	UK	Core CPI YY
22-May	UK	CPI YY
22-May	US	Existing Home Sales
23-May	Euro Zone	HCOB Mfg Flash PMI
23-May	UK	Flash Composite PMI
23-May	US	Initial Jobless Clm
23-May	US	S&P Global Mfg PMI Flash
23-May	Euro Zone	Consumer Confid. Flash
23-May	US	New Home Sales-Units
24-May	UK	Retail Sales MM
24-May	US	Durable Goods

Commodity	Today (May 17 2024)	Change % (May 16 2024)
OIL BRT (US\$/Barrel)	84	0.85
GOLD (US\$/Oz)	2,415	1.61
SILVER (US\$/Oz)	31	6.48

Market Index	Today (May 16 2024)	Change % (May 15 2024)
TASI	12,198	0.79
NOMU	26,484	-0.68

Market Index	Today (May 17 2024)	Change % (May 16 2024)
Dow Jones	40,004	0.34
S&P 500	5,303	0.12
NASDAQ	16,686	-0.06
FTSE 100	8,420	-0.22
NIKKEI 225	38,787	-0.34

*1 Source: Reuters and Bloomberg

Treasury Regional Sales WPM

SAB General no.	012 603 5555
Jehad Tashkandi	012 603 5632
Mohammed Boghasha	012 603 5611
Amro Basri	012 603 5633
Hamed Nagadi	012 603 5601

Treasury Regional Sales CPM

SAB General no.	011 225 7555
Mohammed Alzowawi	011 225 7381
Adel Alkhuraisi	011 225 7388
Khalid Almadi	011 276 4231
Saleh Aljabreen	011 276 4831
Yousef AlAkeel	011 225 7378

Treasury Retail Sales

SAB General no.	011 276 4000
Toll free no.	800 119 4000
Nouf AlSugair	011 276 4421
Faris AlMazrou	011 276 4419
Rakan AlSugair	011 276 4976
Abdulaziz Al-Mazroa	011 276 4936
Khaled AlBahussain	011 276 4415
Munirah AlYamini	011 276 4416

Treasury Regional Sales EPM

SAB General no.	013 807 2000
Nader Algosaibi	013 807 2488
Abdullah Alfaraj	013 807 2479
Ghassan Alhawashim	013 807 2487
Zakariya AlShowikhat	011 276 4935
Abdullah Bunhaya	013 807 2492

sab.treasury@sab.com

"Disclaimer: This market commentary is prepared for information only, it must not be shared, forwarded or re-sent for any purpose to any external party and it must not be republished on any source related to internet website (Publicly/private) without an official approval obtained from SAB. the information contained in this report is obtained from outside sources. SAB believes that the information to be reliable. However, SAB do not guarantee its completeness or accuracy. The opinions expressed are subject to change without notice and SAB expressly disclaims any and all liability for the information contained in this market commentary. The market commentary only contains general information. It should not be construed as an offer to sell or the solicitation of an offer to purchase or subscribe for any investment. The specific investment objectives, personal situation and particular needs of any person have not been taken into consideration. Accordingly, you need not rely on the market commentary as an investment advice. Neither SAB nor any of its affiliates nor their directors, officers and employees will be liable or have any responsibility of any kind for any loss or damage that may be incurred resulting from the information contained in this market commentary."