

# SAB Daily Market Update



## Economic data

Local Time	Country	Indicator Name	Period	Actual	est.	Prior
14:00	Euro Zone	Reserve Assets Total	Feb	1,156.11B	-	1,158.0B
16:15	US	Industrial Production MM	Feb	0.1%	0.0%	-0.1%
17:00	US	U Mich Sentiment Prelim	Mar	76.5	76.9	76.96

Sunday, Mar 17, 2024

## Market Update

- US dollar poised for biggest weekly gain since mid-January; yen falls ahead of BOJ.

The dollar rose to a more than one-week high on Friday after a mixed batch of data showed the U.S. economy remained stable with small pockets of weakness, suggesting the Federal Reserve could keep interest rates higher for longer or reduce the planned number of rate cuts this year. Data on Friday showed a solid U.S. manufacturing sector, with output rebounding by 0.8% last month after a downwardly revised 1.1% decline in the prior month. Analysts at Citi, however, said in a research note that the rebound in February partly reflects the revisions lower to January output and the reversal of a "weather-related drag in January in non-durable goods manufacturing sectors." U.S. consumer sentiment and inflation expectations were little changed in March, a survey showed on Friday. The University of Michigan's preliminary reading on the overall index of consumer sentiment came in at 76.5 this month, compared to a final reading of 76.9 in February. The survey's reading of one-year inflation expectations, a measure tracked by the Fed, was unchanged at 3.0% in March. The survey's five-year inflation outlook held steady as well at 2.9% for the fourth straight month. The Fed is scheduled to meet next week and while it is not expected to make any interest rate moves, hotter-than-expected U.S. producer and consumer price data this week has led traders to rein in bets on future cuts. The rate futures market on Friday has priced in a 57% chance of the Fed cutting rates in June, compared to 71% on Monday, according to LSEG's rate probability app. The market has also reduced the number of rate cuts it expects this year to less than three, from between three and four earlier this year. Investors are also looking to a highly-anticipated meeting at the Bank of Japan next week. The BOJ is close to ending eight years of negative interest rate policy, with internal preparations for an exit in the works since Kazuo Ueda took office as BOJ governor. At the same time, Japan's biggest companies agreed with labor unions to raise wages by the highest level in 33 years on Friday, reinforcing views the country's central bank is poised to make a landmark shift away from negative interest rates. The dollar continued to rise against the yen, up 0.5% at 149.02. On the week, the greenback rose 1.3%, on track for its biggest gain since mid-January. The focus is also on other central bank decisions for signs of how quickly they will cut interest rates after a period of rapid rises to curb rampant inflation. The Bank of England and Swiss National Bank are due to meet next week.

- Oil prices dip, but set for weekly gain of over 3%.

Oil prices dipped on Friday, a day after topping \$85 a barrel for the first time since November, but prices were expected to finish more than 3% higher for the week on rising demand from U.S. refiners completing planned overhauls. Cuts in interest rates are seen as opportunity for demand growth in the United States. Prices had been range-bound for much of the last month roughly between \$80 to \$84 a barrel. Then the International Energy Agency on Thursday raised its view on 2024 oil demand for a fourth time since November as Houthi attacks have disrupted Red Sea shipping. World oil demand will rise by 1.3 million bpd in 2024, the IEA said in its latest report, up 110,000 bpd from last month. It forecast a slight supply deficit this year should OPEC+ members sustain their output cuts having previously forecast a surplus. The oil and gas rig count, an early indicator of future output, rose by seven to 629 in the week to March 15. Baker Hughes said oil rigs rose six to 510 this week, their highest since September, while gas rigs rose one to 116. The gains this week have come despite the U.S. dollar strengthening at its fastest pace in eight weeks. A stronger dollar makes crude more expensive for users of other currencies. Also supporting prices were Ukrainian strikes on Russian oil refineries, which caused a fire at Rosneft's biggest refinery in one of the most serious attacks against Russia's energy sector in recent months. U.S. crude oil stockpiles also fell unexpectedly last week as refineries ramped up processing while gasoline inventories slumped as demand rose, the Energy Information Administration said on Wednesday. Lower interest rates cut consumer borrowing costs, which can boost economic growth and demand for oil. In the U.S., some signs of slowing economic activity were seen as unlikely to spur the Federal Reserve to start cutting interest rates before June as other data on Thursday showed a larger-than-expected increase in producer prices last month.

\*1 Source: Reuters and Bloomberg

Major Currency	Today (Mar 15 2024)	Change % (Mar 14 2024)
EUR/USD	1.0889	0.06
GBP/USD	1.2735	-0.13
AUD/USD	0.6560	-0.32
NZD/USD	0.6085	-0.75
USD/CHF	0.8838	-0.01
USD/JPY	149.0400	-0.48
USD/CAD	1.35	-0.07
USD/NOK	10.6189	-0.59
USD/SEK	10.3613	-0.22
USD/CNY	7.1970	-0.04

Major Currency	Today (Mar 15 2024)	Change % (Mar 14 2024)
EUR/SAR	4.0883	0.06
GBP/SAR	4.7814	-0.13
AUD/SAR	2.4630	-0.32
NZD/SAR	2.2846	-0.75
CHF/SAR	4.2481	-0.01
JPY/SAR	0.0252	-0.48
CAD/SAR	2.7725	-0.07
NOK/SAR	0.3536	-0.59
SEK/SAR	0.3624	-0.22
CNY/SAR	0.5217	-0.04

SAR SAIBOR	Today (Mar 14 2024)	Change % (Mar 13 2024)
1 Months	5.8613	-0.190
3 Months	6.2020	0.250
6 Months	6.0545	-0.094

USD Term SOFR	Today (Mar 15 2024)	Change % (Mar 14 2024)
1 Months	5.3263	-0.007
3 Months	5.3297	0.003
6 Months	5.2656	0.167

US Treasury	Today (Mar 15 2024)	Change % (Mar 14 2024)
5-Year	4.33	0.83
10-Year	4.31	0.33

SAMA	Current	Previous
Repo	6.00	5.75
Reverse Repo	5.50	5.25
3 Month T-Bills	5.52300	5.52300
6 Month T-Bills	5.53100	5.53100
1 Year T-Bills	5.53500	5.53700

## Major Events Coming Up

### Key events

Date	Country	Event
18 Mar	UK	House Price Rightmove MM
18 Mar	Euro Zone	HICP Final MM
19 Mar	US	Housing Starts Number
20 Mar	UK	CPI YY
20 Mar	Euro Zone	Consumer Confid. Flash
20 Mar	US	Fed Funds Tgt Rate
21 Mar	UK	BOE Bank Rate
21 Mar	Euro Zone	HCOB Composite Flash PMI
21 Mar	US	S&P Global Comp Flash PMI
22 Mar	UK	Retail Sales MM

Commodity	Today (Mar 15 2024)	Change % (Mar 14 2024)
OIL BRT (US\$/Barrel)	85	-0.09
GOLD (US\$/Oz)	2,156	-0.29
SILVER (US\$/Oz)	25	1.49

Market Index	Today (Mar 14 2024)	Change % (Mar 13 2024)
TASI	12,729	0.04
NOMU	26,989	1.16

Market Index	Today (Mar 15 2024)	Change % (Mar 14 2024)
Dow Jones	38,715	-0.49
S&P 500	5,117	-0.65
NASDAQ	15,973	-1.15
FTSE 100	7,727	-0.20
NIKKEI 225	38,708	-0.26

\*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](mailto:sab.treasury@sab.com)

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