

Economic data

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

Monday, Feb 12, 2024

Market Update

Australia, NZ dlrs subdued in holiday thinned trade, Orr awaited

The Australian and kiwi dollars were subdued in holiday thinned trade on Monday, while traders looked ahead to a central bank speech in New Zealand that could make or break market bets for another hike given the huge shift in market pricing last week. Most of Asia including China, Hong Kong, Japan, South Korea, Singapore, Taiwan, Vietnam and Malaysia are closed for holidays. The Aussie was flat at \$0.6530, having eked out a 0.2% gain last week to break a five-week losing streak. It rose 0.5% on Friday, helped by mixed U.S. consumer price revisions that did not alter the market's outlook on Fed rate cuts. The kiwi was buoyant at \$0.6150, after jumping 1.4% last week to \$0.6157. It was one of the best performing G10 currencies, having been lifted by market bets that Reserve Bank of New Zealand may have to hike again. The major risk this week would be the speech by Reserve Bank of New Zealand Governor Adrian Orr on Friday. After the bold call from ANZ on Friday, markets moved to price in a 44% chance that the RBNZ would hike rates to 5.75% when it meets on Feb. 28. A rise in May is seen at a 72% probability. The two-year swap rate kept climbing to hit a fresh two-month top of 5.245% on Monday, having risen 48.5 basis points last week. The Aussie lost more ground to the kiwi, sliding further to an eight month low of NZ\$1.0568 on Monday. Against the U.S. dollar, Commonwealth Bank of Australia on Monday revised higher the near term forecast for the Australian dollar, which is now expected to trough at 64 cents this quarter, up from the previous forecast of 63 cents.

Oil starts week lower after Israel says 'concluded' Gaza strikes

Oil prices fell in early Asian trade on Monday after Israel said it had "concluded" a series of strikes in southern Gaza, slightly easing concerns about supply from the Middle East. Brent crude futures were 0.4% lower, at \$81.88 a barrel, while U.S. West Texas Intermediate crude futures were also down 0.4%, at \$76.53 a barrel at 0520 GMT. Geo-political risks including a feared broadening of the Israel-Palestinian conflict across the region and potential oil supply disruption in the Middle East pushed prices up by about 6% last week. The Israeli military said on Monday it had conducted a "series of strikes" on southern Gaza that have now "concluded," days after Israeli Prime Minister Benjamin Netanyahu rejected a ceasefire proposal from Hamas. Logistics disruptions in the Red sea remained front and centre of investor concerns. The United Kingdom Maritime Trade Operations (UKMTO) agency said early on Monday it had received a report of a ship being attacked by two missiles south of Yemen's Al Mukha. Iran-aligned Houthi militants in Yemen, who control the country's most densely populated regions, have repeatedly dispatched drones and fired missiles at commercial ships since mid-November. They say the attacks are a response to Israel's military actions in Gaza. The campaign has rocked global shipping, leading several companies to halt Red Sea journeys and opt for a longer and more expensive route around Africa. While supply concerns in the Middle East remained relatively heightened, news from the U.S. eased some worries. U.S. energy firms increased oil and natural gas rigs to their highest since mid-December, potentially signalling an increase in output. Domestic production returned last week to a record 13.3 million barrels per day. Demand concerns remained, as a Federal Reserve official said she had no interest in recommending an interest rate cut, adding to the chorus on further reining in inflation. Higher interest rates slow economic growth, which curbs oil demand.

*1 Source: Reuters and Bloomberg

Major Currency	Today (Feb 12 2024)	Change % (Feb 09 2024)
EUR/USD	1.0792	0.08
GBP/USD	1.2630	0.02
AUD/USD	0.6521	-0.05
NZD/USD	0.6130	-0.33
USD/CHF	0.8744	0.03
USD/JPY	149.2000	0.07
USD/CAD	1.35	0.00
USD/NOK	10.5354	0.07
USD/SEK	10.4531	0.04
USD/CNY	7.1936	0.04

Major Currency	Today (Feb 12 2024)	Change % (Feb 09 2024)
EUR/SAR	4.0519	0.08
GBP/SAR	4.7419	0.02
AUD/SAR	2.4483	-0.05
NZD/SAR	2.3015	-0.33
CHF/SAR	4.2938	0.03
JPY/SAR	0.0252	0.07
CAD/SAR	2.7894	0.00
NOK/SAR	0.3564	0.07
SEK/SAR	0.3592	0.04
CNY/SAR	0.5219	0.04

SAR SAIBOR	Today (Feb 11 2024)	Change % (Feb 08 2024)
1 Months	5.8937	0.307
3 Months	6.1916	-0.300
6 Months	5.9842	-0.066

USD Term SOFR	Today (Feb 09 2024)	Change % (Feb 08 2024)
1 Months	5.3207	0.051
3 Months	5.3091	0.145
6 Months	5.1887	0.316

US Treasury	Today (Feb 12 2024)	Change % (Feb 09 2024)
5-Year	4.14	-0.04
10-Year	4.18	-0.05

SAMA	Current	Previous
Repo	6.00	5.75
Reverse Repo	5.50	5.25
3 Month T-Bills	5.52300	5.52400
6 Month T-Bills	5.53200	5.53300
1 Year T-Bills	5.54100	5.54200

Major Events Coming Up

Key events

Date	Country	Event
13-Feb	UK	Claimant Count Unem Chng
13-Feb	UK	ILO Unemployment Rate
13-Feb	UK	HMRC Payrolls Change
13-Feb	US	Core CPI MM, SA
13-Feb	US	Core CPI YY, NSA
13-Feb	US	CPI MM, SA
13-Feb	US	CPI YY, NSA
13-Feb	US	CPI Wage Earner
14-Feb	UK	Core CPI YY
14-Feb	UK	CPI YY
14-Feb	Euro Zone	GDP Flash Estimate QQ
14-Feb	Euro Zone	GDP Flash Estimate YY
15-Feb	UK	GDP Est 3M/3M
15-Feb	UK	GDP Estimate YY
15-Feb	UK	Manufacturing Output MM
15-Feb	UK	GDP Prelim QQ
15-Feb	UK	GDP Prelim YY
15-Feb	Euro Zone	Total Trade Balance SA

Commodity	Today (Feb 12 2024)	Change % (Feb 09 2024)
OIL BRT (US\$/Barrel)	82	-0.33
GOLD (US\$/Oz)	2,024	0.00
SILVER (US\$/Oz)	23	0.88

Market Index	Today (Feb 11 2024)	Change % (Feb 08 2024)
TASI	12,209	0.05
NOMU	25,301	-0.58

Market Index	Today (Feb 09 2024)	Change % (Feb 08 2024)
Dow Jones	38,672	-0.14
S&P 500	5,027	0.57
NASDAQ	15,991	1.01
FTSE 100	7,573	-0.30
NIKKEI 225	36,897	0.09

*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."