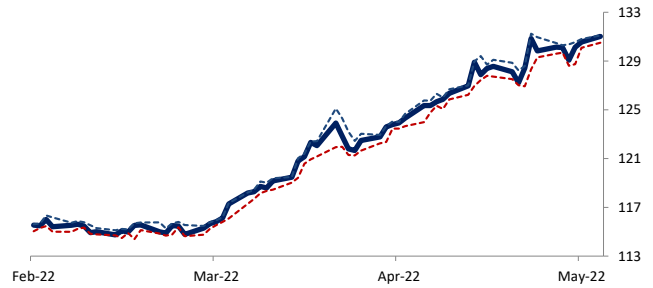


USD/JPY  
3-Month Performance



Highlights in the Foreign Exchange Market:

- Asian equities took a dip to this week's trading session as the US dollar hit two-decade high. The tightening lockdown in China is spooking investors and spurring worries on economic growth and recession. The Nikkei lost 2.4% during midmorning trade as a result. Investors were also tense ahead of the U.S. consumer price report due on Wednesday where only a slight easing in inflation is forecasted, and certainly nothing to prevent the Federal Reserve from hiking by at least 50 basis points in June.
- In the FX sphere, the dollar continued to shine and post gains on major rivals reaching a 20-year high of 104.106. The prospect of aggressive rate hikes by the Fed has widened the differential between the greenback and other major currencies, putting the dollar in higher demand. Hence, the Japanese yen and the Swiss franc have lost major ground on the US dollar. The euro and sterling are both pressured at 1.05 level and 1.2280 respectively.
- Oil prices fluctuated on Monday, along with stock markets in Asia, sparked by fears a global recession could dampen oil demand, with investors eying European Union talks on a Russian oil embargo that is expected to tighten global supplies.

Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.0340	1.0450	1.0510	1.0575	1.0641
GBP	1.2203	1.2250	1.2290	1.2380	1.2450
JPY	129.50	130.10	130.95	131.25	132.00
CHF	0.9750	0.9880	0.9920	1.0000	1.0075

Major Currencies

CCY	Closing Rate	YTD %	Major Crosses	CCY	Closing Rate	YTD %
EUR/USD	1.0551	(7.58)	EUR/GBP	0.8550	1.86	
GBP/USD	1.2337	(9.23)	GBP/JPY	161.15	3.63	
USD/JPY	130.5600	13.91	EUR/JPY	137.67	5.66	
USD/CHF	0.9887	8.93	EUR/CHF	1.0425	0.70	

Brief Technical Commentary

EUR / USD: EUR is in an area of strong support at 1.0495 on the daily chart, bearish trend is strong as the US dollar should its toll. The EUR fell from the high of 1.0641 as most major currencies lost against the US dollar. Beyond 1.0490, we would see a support at 1.0450 and 1.04.

GBP / USD: The GBP continues the steep trend to 1.2273 on the daily chart after dovish comments from the BOE. The announcement encouraged more sellers hence the oversold GBP will continue to break new support as 1.2250 is in the horizon. Any rebound will surely touch the 1.24 and 1.25.

Local & Global Rates

CCY	O/N	1-Month	3-Month	6-Month	1-Year
KWD	1.25	1.56	1.81	2.06	2.31
USD	0.79	0.79	1.19	1.63	2.27
EUR	-0.56	-0.55	-0.43	-0.21	0.25
GBP	0.94	0.94	1.12	1.39	1.82

Economic Events

Date	Country	Event	Actual	Forecast	Previous
05-May-22	GBP	Official Bank Rate	1.00%	1.00%	0.75%
06-May-22	USD	Average Hourly Earnings m/m	0.3%	0.4%	0.4%
06-May-22	USD	Non-Farm Employment Change	428K	390K	431K
06-May-22	USD	Unemployment Rate	3.6%	3.5%	3.6%
10-May-22	EUR	German ZEW Economic Sentiment		-43.0	-41.0
11-May-22	USD	CPI m/m		0.2%	1.2%
11-May-22	USD	Core CPI m/m		0.4%	0.3%
12-May-22	GBP	Preliminary GDP q/q		1.0%	1.3%
12-May-22	USD	PPI m/m		0.5%	1.4%
13-May-22	USD	Core PPI m/m		0.6%	1.0%

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	1.91	2.71	3.06	3.13	3.23
Germany	-0.23	0.28	0.83	1.13	1.26
United Kingdom	1.39	1.47	1.65	2.00	2.17
Japan	-0.08	-0.05	0.01	0.24	1.03

Commodities

Index	Last Price	% Change	Global Indices	Index	Last Price	% Change
Kuwait Oil	118.24	(0.64)	Dow Jones	32,899.37	(0.30)	
Brent	111.91	(0.43)	Nikkei 225	26,338.83	(2.46)	
West Texas	109.25	(0.51)	S&P 500	4,123.34	(0.57)	
Gold	1,871.81	(0.62)	KuwaitSE	8,407.68	(0.62)	

This Treasury Newsletter is a publication of the National Bank of Kuwait ("NBK"). Although the information in this document has been prepared in good faith and from sources which we believe to be reliable, we do not represent or warrant its accuracy and such information may not necessarily represent the actual market data. NBK accepts no liability whatsoever for any loss or damage arising from the use of this document or reliance on the information contained herein. NBK will not be responsible for the consequence of reliance upon any opinion or statement contained herein. For further information or discussion, please contact the Treasury Services Desk on TSD\_LIST@NBK.COM or +965 2221 6603 (FAX +965 2229 1441).