



#### Highlights in the Foreign Exchange Market:

- Demand for the dollar receded against its major peers as several key Fed policymakers have spoken in hesitance of supporting the rate hike trajectory. The euro is back above the 1.12 level with rising bund yields and Ukraine's reassurance attempts to cool geopolitical tensions. Meanwhile, the pound continues to trade at the 1.34 level.
- The ECB will have to defend its slow exit from pandemic stimulus on Thursday as Germany challenges it with a higher-than-expected January CPI, which jumped 5.1% year-on-year, and implies inflation will linger for longer than expected. German 10-year bund yields are back in positive territory.
- The aussie dropped against most of its major peers after the Reserve Bank of Australia (RBA) decided to keep its key lending rate unchanged at a record-low of 0.1% even as it ended its bond-purchases program. The Australian dollar fell to a low of 0.7034 after the statement, but managed to recoup its losses amid a softer dollar and is currently trading above 0.7060
- In the meantime, strong incoming corporate earnings have helped offset tightening worries in US equities. Despite weak performances in January, major indices managed to end the month on a positive note – the Dow Jones closed up 1.17% higher, S&P 500 closed up 1.89% higher, the Nasdaq 100 3.41%. The 10-year Treasury yield stood firm at 1.76% and the 2-year yield ticked down slightly to 1.16%.
- Moving to commodities, the crude market awaits a highly anticipated OPEC+ meeting that will help shed light on future production output. Expectations indicate that OPEC+ could ratify an additional 400,000 barrel-a-day supply hike. Growing geo-political issues in Eastern Europe that could potentially fuel prices are threatening the energy market. Therefore, an additional output from OPEC+ will help ease such concerns. For the safe-haven commodity, gold has witnessed a gain of 0.31% and is being traded at \$1802.72 an ounce.

#### Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1135	1.1290	<b>1.1240</b>	1.1310	1.1355
GBP	1.3355	1.3395	<b>1.3450</b>	1.3500	1.3545
JPY	113.85	114.40	<b>114.90</b>	115.45	116.00
CHF	0.9150	0.9200	<b>0.9253</b>	0.9305	0.9340

#### Major Currencies

CCY	Closing Rate	YTD %	Major Crosses	CCY	Closing Rate	YTD %
EUR/USD	1.1233	(1.13)	EUR/GBP	0.8350	(0.54)	
GBP/USD	1.3445	(0.57)	GBP/JPY	154.79	(0.35)	
USD/JPY	115.1000	(0.01)	EUR/JPY	129.34	(0.76)	
USD/CHF	0.9269	1.43	EUR/CHF	1.0409	0.31	

#### Brief Technical Commentary

EUR/USD: The pair moved up to the 1.1247 level during Monday's trading session and currently trading at 1.1240. EUR/USD Resistance levels are at (1.1310-1.1355) any break above would take the pair up to 1.1450. Short term outlook is Bullish.

GBP/USD: The pair moved up to the 1.3460 level during Monday's trading session and currently trading at 1.3450 GBP/USD Resistance levels are at (1.3500-1.3545) any break above would take the pair up to 1.3600. Short term outlook is Bullish.

#### Local & Global Rates

CCY	O/N	1-Month	3-Month	6-Month	1-Year
KWD	0.56	1.25	1.50	1.75	2.00
USD	0.05	0.05	0.20	0.42	0.75
EUR	-0.57	-0.57	-0.55	-0.51	-0.45
GBP	0.20	0.41	0.52	0.71	1.02

#### Economic Events

Date	Country	Event	Actual	Forecast	Previous
27-Jan-22	USD	Advance GDP q/q	6.90%	5.30%	2.30%
28-Jan-22	USD	Core PCE Price Index m/m	0.50%	0.50%	0.50%
01-Feb-22	AUD	RBA Rate Statement			
01-Feb-22	USD	ISM Manufacturing PMI		57.4	58.7
02-Feb-22	ALL	OPEC Meetings			
03-Feb-22	GBP	BoE Monetary Policy Report			
03-Feb-22	EUR	ECB Monetary Policy Report			
03-Feb-22	USD	ISM Services PMI		59.00	62.00
04-Feb-22	CAD	Unemployment Rate		6.20%	5.90%
04-Feb-22	USD	Unemployment Rate		3.90%	3.90%

#### Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	0.74	1.17	1.61	1.78	2.10
Germany	-0.70	-0.55	-0.29	0.00	0.27
United Kingdom	0.92	1.03	1.13	1.30	1.44
Japan	-0.08	-0.05	-0.01	0.18	0.79

#### Commodities

Index	Last Price	% Change	Global Indices	Index	Last Price	% Change
Kuwait Oil	89.78	(0.55)	Dow Jones	35,131.86	1.17	
Brent	91.21	1.31	Nikkei 225	27,077.63	0.28	
West Texas	88.45	0.34	S&P 500	4,515.55	1.89	
Gold	1,802.45	0.29	KuwaitSE	7,363.28	0.18	

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