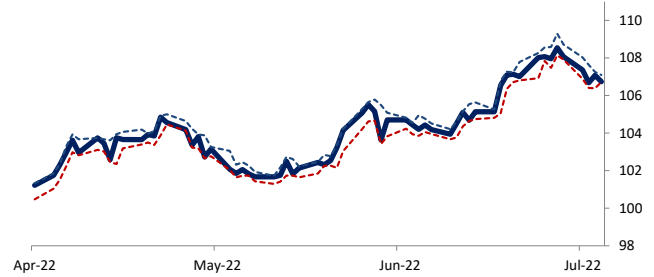


Highlights in the Foreign Exchange Market:

- Consumer prices in the UK accelerated to 9.4% in June from 9.1% last month, the biggest increase since February 1982, driven by a surge in fuel and food prices. With prices rising far more quickly than wages, the pain for households is set to get worse, with inflation forecast to top 11% in October when another energy price hike kicks in. Governor of the Bank of England (BoE) Andrew Bailey floated the possibility of a half-point rate increase in August in an effort to step up its battle to bring inflation back to the 2% target as worries mount of entrenching elevated inflation if rising wage and raw material costs force prices to rise.
- Bank of Japan (BoJ) left its rock-bottom interest rate unchanged at -0.10% in continuation of its defiance of a wave of inflation-fighting hikes by its peers and commitment to its outlier stance. The BoJ lowered economic growth expectations for the year following the lockdowns in neighboring China, a rise in Covid cases at home, and a darkening global outlook. However, it raised expectations for price forecasts from 1.9% previously to 2.3%. The European Central Bank (ECB) is set to raise rates today for the first time in 11 years, and potentially deviating from guidance by considering a bigger hike as soaring prices become an ever-growing concern for households, companies, and governments.
- Dollar gains evaporated as peers heated up and protected their positions. Despite an upside surprise in inflation data, the sterling was capped below 1.20. The euro gained ahead of the ECB meeting, trading above 1.02. The yen was largely unchanged after the anticipated result of the BoJ decision, lingering in 138.



EUR/USD
3-Month Performance

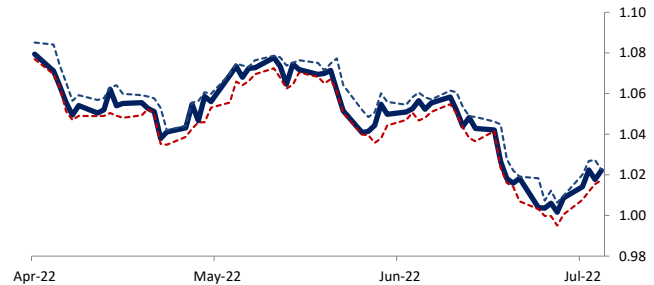


Chart Points and Other Technical Input

| CCY | 2nd Support | 1st Support | Spot | 1st Resistance | 2nd Resistance |
|-----|-------------|-------------|---------------|----------------|----------------|
| EUR | 1.0095 | 1.0155 | 1.0216 | 1.0275 | 1.0340 |
| GBP | 1.1860 | 1.1925 | 1.1992 | 1.2045 | 1.2095 |
| JPY | 137.10 | 137.60 | 138.22 | 138.80 | 139.40 |
| CHF | 0.9590 | 0.9650 | 0.9702 | 0.9755 | 0.9810 |

Major Currencies

| CCY | Closing Rate | YTD % | Major Crosses | CCY | Closing Rate | YTD % |
|---------|--------------|--------|---------------|--------|--------------|-------|
| EUR/USD | 1.0177 | (0.06) | EUR/GBP | 0.8498 | 1.43 | |
| GBP/USD | 1.1969 | (1.31) | GBP/JPY | 165.59 | 6.77 | |
| USD/JPY | 138.2000 | 20.10 | EUR/JPY | 140.79 | 8.42 | |
| USD/CHF | 0.9713 | 2.29 | EUR/CHF | 0.9887 | (4.38) | |

Brief Technical Commentary

EUR/USD: The pair moved up to the 1.0273 level during Wednesday's trading session and currently trading at 1.0216. EUR/USD Supports are at (1.0155-1.0095) any break below would take the pair down to 1.0030. Short term outlook is Bearish.

GBP/USD: The pair moved down to the 1.1951 level during Wednesday's trading session and currently trading at 1.1992. GBP/USD Supports are at (1.1925-1.1860) any break below would take the pair down to 1.1795. Short term outlook is Bearish.

Local & Global Rates

| CCY | O/N | 1-Month | 3-Month | 6-Month | 1-Year |
|-----|-------|---------|---------|---------|--------|
| KWD | 1.56 | 1.81 | 2.13 | 2.38 | 2.69 |
| USD | 1.54 | 2.18 | 2.51 | 2.94 | 3.23 |
| EUR | -0.56 | -0.33 | 0.04 | 0.53 | 1.05 |
| GBP | 1.19 | 1.45 | 1.78 | 2.23 | 2.67 |

Economic Events

| Date | Country | Event | Actual | Forecast | Previous |
|-----------|---------|---------------------------------|--------|----------|----------|
| 19-Jul-22 | AUD | Monetary Policy Meeting Minutes | | | |
| 19-Jul-22 | EUR | Final CPI y/y | 8.6% | 8.6% | 8.6% |
| 19-Jul-22 | GBP | BOE Gov Bailey Speaks | | | |
| 20-Jun-22 | GBP | CPI y/y | 9.4% | 9.3% | 9.1% |
| 21-Jul-22 | JPY | BoJ Policy Rate | -0.10% | -0.10% | -0.10% |
| 21-Jul-22 | EUR | Main Refinancing Rate | | 0.25% | 0.00% |
| 22-Jul-22 | GBP | Retail Sales m/m | | -0.2% | -0.5% |
| 22-Jul-22 | EUR | German Flash Manufacturing PMI | | 50.6 | 52.0 |
| 22-Jul-22 | EUR | German Flash Services PMI | | 51.4 | 52.4 |
| 22-Jul-22 | USD | Flash Services PMI | | 52.0 | 52.7 |

Government Yields

| Country | 1-Year | 2-Year | 5-Year | 10-Year | 30-Year |
|----------------|--------|--------|--------|---------|---------|
| United States | 3.12 | 3.22 | 3.16 | 3.02 | 3.16 |
| Germany | 0.43 | 0.57 | 0.98 | 1.24 | 1.44 |
| United Kingdom | 2.18 | 2.04 | 1.90 | 2.13 | 2.65 |
| Japan | -0.15 | -0.08 | 0.01 | 0.23 | 1.25 |

Commodities

| Index | Last Price | % Change | Global Indices | Index | Last Price | % Change |
|------------|------------|----------|----------------|-----------|------------|----------|
| Kuwait Oil | 110.47 | (0.27) | Dow Jones | 31,874.84 | 0.15 | |
| Brent | 106.03 | (0.83) | Nikkei 225 | 27,722.53 | 0.15 | |
| West Texas | 98.90 | (0.99) | S&P 500 | 3,959.90 | 0.59 | |
| Gold | 1,693.30 | (0.20) | KuwaitSE | 7,542.85 | 1.28 | |

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