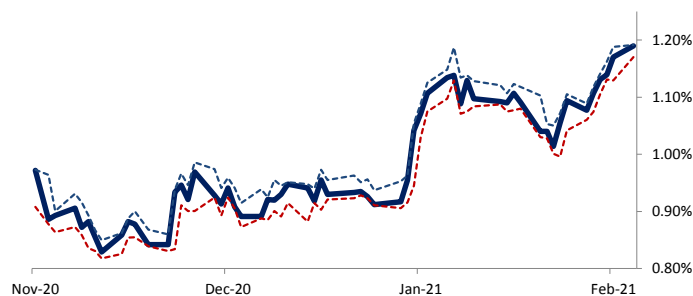


Highlights in the Foreign Exchange Market:

- Last week, data revealed Eurozone inflation shot up to its highest level since the coronavirus pandemic hit last year as it ended a five month spell of falling prices, fueling doubts about whether the European Central Banks needs to use more stimulus measures. A flash estimate published by Eurostat showed headline consumer price inflation hit an 11 month high of 0.9% in January, up from the 0.3% clocked in December, and shooting above the 0.5% polled by Reuters. The fastest jump in more than a decade was driven by a combination of one-off factors rather than a revival in underlying demand, as many of the bloc's shops and leisure venues remain closed in light of the lockdowns aimed at stemming the spread of COVID.
- In the US, Treasury Secretary Yellen said the US can return to full employment in 2022 if it provides the economy with a robust enough relief package. The yield on the US 10-year Treasury bond rose to 1.1890% as investors take comfort from the rollout of vaccines and a declining trend in infections. A Citigroup Inc. gauge of global risk aversion dropped to its lowest level since COVID-19 hit global markets last year. Meanwhile, oil prices came near \$60 a barrel as global supplies tighten and the demand outlook improves.

US 10-Year Treasury Yield

3-Month Performance



Brent Crude

3-Month Performance

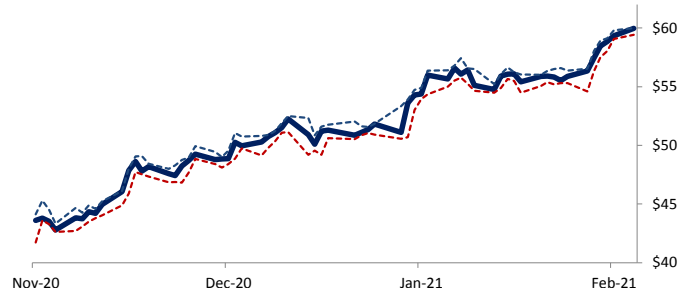


Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1935	1.1985	1.2035	1.2090	1.2140
GBP	1.3630	1.3675	1.3730	1.3780	1.3835
JPY	104.50	105.00	105.50	106.00	106.50
CHF	0.8900	0.8950	0.8998	0.9050	0.9100

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.2042	(0.42)	EUR/GBP	0.8767	(0.91)
GBP/USD	1.3733	0.42	GBP/JPY	144.68	3.10
USD/JPY	105.3600	2.25	EUR/JPY	126.93	0.06
USD/CHF	0.8988	1.64	EUR/CHF	1.0828	0.22

Major Crosses

Brief Technical Commentary

EUR/USD: The pair moved down to the 1.1950 level during Friday's trading session and currently trading at 1.2035. EUR/USD Resistance levels are at (1.2090-1.2140) any break above would take the pair up to 1.2275. Short term outlook is Bullish.

GBP/USD: The pair moved up to the 1.3740 level during Friday's trading session and currently trading at 1.3730. GBP/USD Resistance levels are at (1.3780-1.3835) any break above would take the pair up to 1.3975. Short term outlook is Bullish.

Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	0.88	1.19	1.44	1.69	1.94
USD	0.09	0.12	0.19	0.21	0.30
EUR	-0.58	-0.58	-0.55	-0.54	-0.50
GBP	0.04	0.03	0.05	0.07	0.12
CHF	-0.82	-0.80	-0.76	-0.72	-0.61
AUD	-0.08	-0.10	-0.03	0.03	-0.12

Economic Events

Date	Country	Event	Actual	Forecast	Previous
4-Feb-21	USD	Unemployment Claims	779K	850K	847K
5-Feb-21	USD	Average Hourly Earnings m/m	0.2%	0.3%	0.8%
5-Feb-21	USD	Unemployment Rate	6.3%	6.7%	6.7%
5-Feb-21	USD	Non-Farm Employment Change	49K	85K	-227K
10-Feb-21	USD	CPI m/m		0.4%	0.4%
10-Feb-21	USD	Core CPI m/m		0.3%	0.1%
10-Feb-21	USD	Crude Oil Inventories			-1.0M
10-Feb-21	GBP	BOE Gov Bailey Speaks			
10-Feb-21	USD	Fed Chair Powell Speaks			
11-Feb-21	USD	Unemployment Claims		775K	779K

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	0.05	0.11	0.47	1.19	2.00
Germany	-0.66	-0.72	-0.69	-0.44	0.02
United Kingdom	-0.05	-0.01	0.08	0.50	1.07
Japan	-0.13	-0.13	-0.11	0.06	0.66

Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	59.50	0.99	Dow Jones	31,148.24	0.30
Brent	60.24	0.03	Nikkei 225	29,307.27	1.83
West Texas	56.77	0.09	S&P 500	3,886.83	0.39
Gold	1,814.61	0.17	KuwaitSE	5,724.97	0.54

Global Indices

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 (TELEX : 46811 - FAX +965 2241 9720).