

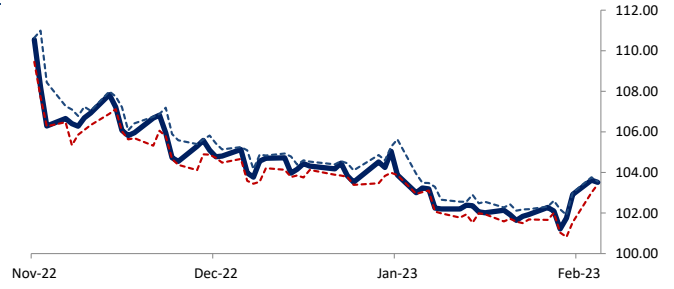
Kuwaiti Dinar Today

0.30555 / 0.30565

Key Market Highlights:

- Raphael Bostic, the president of the Atlanta Federal Reserve Bank, delivered a hawkish message to markets on Monday. Speaking on the jobs report, which showed an addition of 517,000 jobs with unemployment rate at 3.4%, the lowest level since 1969, Bostic said that the tight labor market meant that they "have to do a little more work." Clarifying his statement, Bostic said, "I would expect that would translate into us raising interest rates more than I have projected right now." Markets have turned more hawkish on rate expectations, as the probability of the Fed raising rates in May to the range of 5.0%-5.25% increased to 67.3% from 40.5% one week ago. Furthermore, US Treasury Secretary Janet Yellen said that she believes that the US will avoid a recession, boldly claiming that "you don't have a recession when you have 500,000 jobs and the lowest unemployment rate in more than 50 years." While inflation is still too high, Janet reiterates the fact that inflation has been falling for the past 6 months and could drop more significantly, with measures such as reducing the cost of prescription drugs and gasoline being implemented by the Biden administration. Lastly, markets will turn their attention to additional Fed speakers this week to look for signals on rate paths and the economy.
- Over in Australia, the RBA held a monetary policy meeting today. The Reserve Bank of Australia has decided to increase the cash rate target by 25bps to 3.35%. Additionally, the board has increased the interest rate on exchange settlement balances by 25bps to 3.25%. The International Monetary Fund has reduced its growth expectations for Australia, with growth slowing from 3.6% in 2022 to an expected 1.6% in 2023. Like many of the world's central banks, the RBA spent majority of 2022 attempting to rein in inflation with eight consecutive hikes. It is aiming for an inflation target of between 2-3%. According to RBA Governor Philip Lowe, "a further increase in inflation is expected over the months ahead, with inflation now forecast to peak at around 8% later this year". The AUD/USD currency pair is trading at a similar level as yesterday, at around 0.6929.

US Dollar Index
3-Month Performance



AUD/USD
3-Month Performance

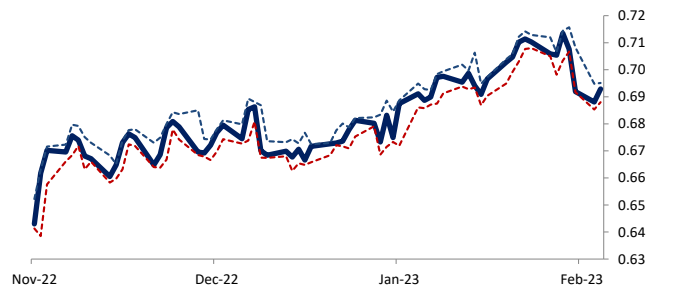


Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.0625	1.0690	1.0730	1.0780	1.0835
GBP	1.1935	1.1990	1.2040	1.2095	1.2150
JPY	131.20	131.70	132.25	132.80	133.35
CHF	0.9160	0.9225	0.9270	0.9315	0.9380

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.0730	0.36	EUR/GBP	0.8921	0.75
GBP/USD	1.2016	(0.37)	GBP/JPY	159.40	0.42
USD/JPY	132.6500	0.79	EUR/JPY	142.24	1.18
USD/CHF	0.9282	0.16	EUR/CHF	0.9956	0.53

Brief Technical Commentary

EUR/USD: The EUR continued to drop during yesterday's trading session and reached (1.0708) and currently trading at (1.0730). A breakout below (1.0690) will take us lower towards (1.0625) and resistance level is set at (1.0780).

GBP/USD: The cable continued to drop during yesterday's trading session and reached (1.2002) and currently trading at (1.2040). A breakout below (1.1990) will take us lower towards (1.1935) and resistance level is set at (1.2095).

Local & Global Rates

CCY	O/N	1-Month	3-Month	6-Month	1-Year
KWD	3.75	3.94	4.19	4.44	4.69
USD	4.55	4.57	4.71	4.87	4.90
EUR	2.11	2.26	2.55	3.01	3.37
GBP	3.93	3.93	4.05	4.20	4.25

Economic Events

Date	Country	Event	Actual	Forecast	Previous
06-Feb-23	EUR	Retail Sales m/m		-2.4%	0.8%
07-Feb-23	AUD	RBA Rate Statement			
07-Feb-23	USD	Fed Chair Powell Speaks			
07-Feb-23	CAD	BOC Gov Macklem Speaks			
08-Feb-23	USD	FOMC Member Williams Speaks			
09-Feb-23	GBP	Monetary Policy Report Hearings			
09-Feb-23	USD	Unemployment Claims	191K	183K	
10-Feb-23	GBP	GDP m/m		-0.3%	0.1%
10-Feb-23	CAD	Unemployment Rate		5.1%	5.0%
10-Feb-23	USD	Prelim UoM Consumer Sentiment		65.0	64.9

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	4.82	4.43	3.79	3.62	3.66
Germany	2.63	2.62	2.30	2.29	2.27
United Kingdom	3.45	3.39	3.11	3.23	3.69
Japan	-0.09	-0.04	0.17	0.49	1.55

Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	81.63	1.77	Dow Jones	33,891.02	(0.10)
Brent	81.77	0.96	Nikkei 225	27,669.68	(0.09)
West Texas	74.87	1.03	S&P 500	4,111.08	(0.61)
Gold	1,875.38	(0.06)	KuwaitSE	7,407.54	0.07

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