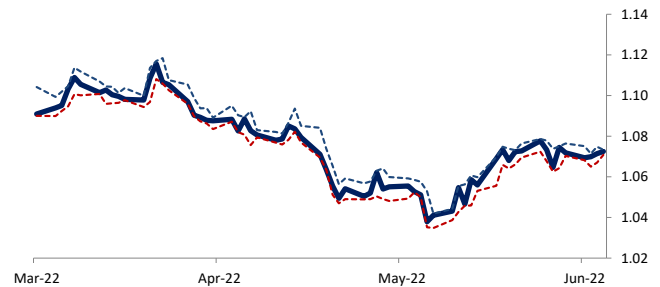


EUR/USD
3-Month Performance



Highlights in the Foreign Exchange Market:

- The battle against stubborn price pressures across the globe has weighed down on markets. Equities across the globe, with the exception of Japan, ended the day lower while US Treasury yields continued to climb – the 10-year yield hitting 3.03%.
- Meanwhile, the European Central Bank (ECB) is set to announce its wind down of trillions of euros of asset purchases and its path toward exiting eight years of negative interest rates today. ECB President Christine Lagarde is also set to unveil new inflation forecasts to accompany their tightening plans. Spurred by repeated figures of rising inflation, the ECB has made it clear that it plans to raise interest rates in July. The size and pace of hikes are expected to be clarified as they lay the groundwork for their case. The latest economic figure from Germany indicated monthly industrial production rose by 0.7%, below expectations but higher than the previous month's 3.7% decline.
- The dollar confidently charged ahead with rising Treasury yields as other currencies traded cautiously ahead of the ECB meeting. The euro swung close to 1.0730 ahead of an anticipated hawkish push. The sterling braced itself above 1.2530 as it manages its glooming economic outlook. The yen sank as deep as 134.55, a 20-year low, in the Bank of Japan (BoJ) commitment to its dovish stance.
- Worries over inflation and monetary tightening are stoked further in the commodities complex, where oil prices advanced past \$122 a barrel, its highest level in three months. Tightening US crude stockpiles and wakening global demand have contributed to rising prices.

Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.0570	1.0650	1.0730	1.0780	1.0840
GBP	1.2334	1.2430	1.2533	1.2625	1.2700
JPY	132.50	133.75	134.00	134.55	135.20
CHF	0.9660	0.9700	0.9774	0.9880	0.9935

Major Currencies

CCY	Closing Rate	YTD %	Major Crosses	CCY	Closing Rate	YTD %
EUR/USD	1.0714	(5.65)	EUR/GBP	0.8546	1.89	
GBP/USD	1.2539	(7.41)	GBP/JPY	168.24	8.20	
USD/JPY	134.2400	36.55	EUR/JPY	143.85	10.37	
USD/CHF	0.9780	7.19	EUR/CHF	1.0484	1.16	

Brief Technical Commentary

EUR / USD: EUR raised modestly on ECB hike expectations trying to reach the 1.0788 recent high but could not pass such resistance. EUR is unchanged against the US dollar with the bearish trend solid on the weekly chart; hence, any break beyond the 1.600 might slip lower to the 1.0500 area.

GBP / USD: GBP is struggling against the US dollar and therefore the pair is failing to resistance level of 1.2500 on the daily chart. Due to the strong bearish trend on both the daily and weekly chart, support levels of 1.2500 and 1.2400 will be tested today, yet any bounce higher but resume to the 1.2600 zone.

Local & Global Rates

CCY	O/N	1-Month	3-Month	6-Month	1-Year
KWD	1.31	1.63	1.94	2.19	2.50
USD	0.77	1.20	1.52	1.91	2.48
EUR	-0.58	-0.53	-0.30	0.03	0.56
GBP	0.94	1.16	1.35	1.68	2.19

Economic Events

Date	Country	Event	Actual	Forecast	Previous
3-Jun-22	USD	Non-Farm Employment Change	390K	325K	436K
3-Jun-22	USD	Unemployment Rate	3.6%	3.5%	3.6%
7-Jun-22	AUD	Cash Rate & RBA Statement	0.85%	0.75%	0.35%
7-Jun-22	EUR	German Factory Orders m/m	-2.7%	0.4%	-4.7%
8-Jun-22	EUR	German Industrial Production m/m	0.7%	1.3%	-3.9%
8-Jun-22	USD	Crude Oil Inventories	2.0M	-2.6M	-5.1M
9-Jun-22	EUR	Main Refinancing Rate & Policy Statement		0.00%	0.00%
9-Jun-22	EUR	ECB Press Conference			
10-Jun-22	USD	CPI m/m		0.7%	0.3%
10-Jun-22	USD	Core CPI m/m		0.5%	0.6%

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	2.21	2.79	3.05	3.04	3.18
Germany	0.14	0.68	1.08	1.36	1.58
United Kingdom	1.66	1.75	1.86	2.23	2.44
Japan	-0.10	-0.08	-0.02	0.24	1.08

Commodities

Index	Last Price	% Change	Global Indices	Index	Last Price	% Change
Kuwait Oil	123.34	2.03	Dow Jones	32,910.90	(0.81)	
Brent	123.91	0.27	Nikkei 225	28,317.35	0.29	
West Texas	122.40	0.17	S&P 500	4,115.77	(1.08)	
Gold	1,854.98	0.06	KuwaitSE	7,629.80	(0.14)	

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