



Highlights in the Foreign Exchange Market:

- The Bank of England (BoE) implemented a fifth consecutive hike to interest rates as it looks to rein in soaring inflation, lifting by 25bps to 1.25%, its highest since 2009. Minutes of the meeting painted a dismal picture of the outlook for both growth and inflation. The BoE warned the economy could be contracting in the second quarter, at a time when a cost-of-living crisis is weighing down growth and consumers and inflation, currently at 9%, is expected to continue rising. The May CPI figure released later this week will likely show inflation reached a new four-decade high, pressuring the BoE to step up the pace of tightening at its next meeting in August.
- Close by, the Swiss National Bank (SNB) raised its policy interest rate for the first time in 15 years on Thursday, in a surprise move joining other central banks in tightening monetary policy to fight resurgent inflation. The central bank increased its policy rate to -0.25% from the -0.75% level it has deployed since 2015.
- Further east, The Bank of Japan (BoJ) stuck to its ultra-easy policy settings, maintaining its -0.10% interest rate and renewing its vow to guide the 10-year bond yield around 0%. The decision was widely expected, yet it leaves the BoJ's stance even more at odds with other major central banks. The BoJ will be closely watching the national inflation figures at the end of the week, with the data unlikely to show an acceleration as the impact from additional government fuel subsidies kicks in.
- The dollar regained its momentum after major peers rallied as the Fed reiterated its honed focus on taming inflation. The euro ended the week on the edge of 1.0500. The sterling closed close to 1.2230 after reaching as high as 1.2406. The SNB's surprise shot the Swiss franc to 0.9700. The growing monetary policy divergence between Japan and the rest of the world has pushed the yen to 24-year lows, which closed at around 135.

Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.0280	1.0380	1.0498	1.0600	1.0695
GBP	1.2030	1.2120	1.2224	1.2325	1.2410
JPY	133.00	133.95	134.96	135.60	136.60
CHF	0.9485	0.9590	0.9697	0.9790	0.9890

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.0498	(7.65)	EUR/GBP	0.8588	2.24
GBP/USD	1.2224	(9.65)	GBP/JPY	164.95	6.22
USD/JPY	134.9600	7.30	EUR/JPY	141.64	8.69
USD/CHF	0.9697	(8.30)	EUR/CHF	1.0177	(1.85)

Major Crosses

Brief Technical Commentary

EUR/USD: The pair moved down to the 1.0443 level during Friday's trading session and closed the week at 1.0498. EUR/USD Supports are at (1.0380-1.0280) any break below would take the pair down to 1.0230. Short term outlook is Bearish.

GBP/USD: The pair moved down to the 1.2175 level during Friday's trading session and closed the week at 1.2224. GBP/USD Supports are at (1.2120-1.2030) any break below would take the pair down to 1.1930. Short term outlook is Bearish.

Local & Global Rates

CCY	O/N	1-Month	3-Month	6-Month	1-Year
KWD	1.50	1.81	2.13	2.38	2.69
USD	1.45	1.51	1.93	2.51	3.17
EUR	-0.57	-0.49	-0.17	0.29	1.12
GBP	1.19	1.20	1.48	2.01	2.66

Economic Events

Date	Country	Event	Actual	Forecast	Previous
16-Jun-22	CHF	SNB Policy Rate	-0.25%	-0.75%	-0.75%
16-Jun-22	GBP	Official Bank Rate	1.25%	1.25%	1.00%
17-Jun-22	JPY	BoJ Policy Rate	-0.10%	-0.10%	-0.10%
20-Jun-22	EUR	ECB President Lagarde Speaks			
21-Jun-22	AUD	RBA Governor Lowe Speaks			
22-Jun-22	GBP	CPI y/y	9.1%	9.0%	
22-Jun-22	USD	Fed Chair Powell Testifies			
23-Jun-22	EUR	German Flash Manufacturing PMI	54.0	54.8	
23-Jun-22	EUR	German Flash Services PMI	54.6	55.0	
24-Jun-22	GBP	Retail Sales m/m	-0.6%	1.4%	

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	2.84	3.17	3.34	3.23	3.28
Germany	0.44	1.06	1.45	1.65	1.83
United Kingdom	2.11	2.17	2.19	2.49	2.66
Japan	-0.14	-0.10	0.03	0.22	1.13

Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	116.65	(3.80)	Dow Jones	29,888.78	(0.13)
Brent	113.12	(5.58)	Nikkei 225	25,963.00	(1.77)
West Texas	109.56	(6.83)	S&P 500	3,674.84	0.22
Gold	1,841.35	(0.93)	KuwaitSE	7,413.83	0.18

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