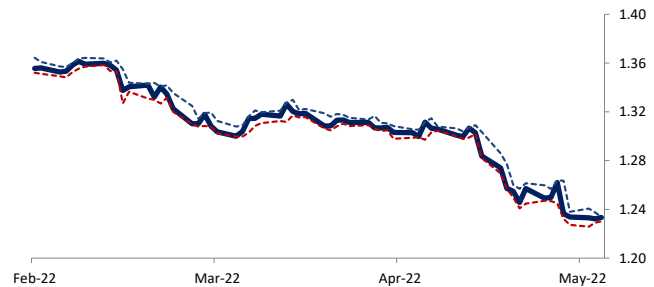


GBP/USD
3-Month Performance



Highlights in the Foreign Exchange Market:

- Asian equities edged higher today and rebounded from the 2-year lows of yesterday's trading session. The Nikkei index gained as much as 0.3% during midmorning trade, while the CSI 300 of China led the gains by rising 1.5% after producer prices rose at the slowest pace in a year in the world's largest economy. Nevertheless, strict curbs to combat the coronavirus have weighed on China's economy. As of Tuesday, 41 Chinese cities are currently implementing full or partial lockdowns or some kind of district-based control measures.
- But the main scheduled event for the day is the US inflation data, due later today, which will give an indication of whether the US Federal Reserve will raise rates even more aggressively to combat inflation. Meanwhile, the Fed last week raised its target for overnight bank-to-bank lending by a half a percentage point, and Chair Jerome Powell said two more such rate hikes are likely at the US central bank's coming policy meetings.
- On the FX front, the US dollar picked up its pace and regained its momentum especially on the sterling pound which lost almost 6% of its value last month to the greenback. The cable is trading well into 1.23 level while safe-haven swiss franc seems to be heading towards parity.

Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.0400	1.0475	1.0540	1.0641	1.0730
GBP	1.2200	1.2275	1.2330	1.2420	1.2475
JPY	129.00	129.75	130.31	131.00	132.00
CHF	0.9825	0.9900	0.9945	1.0000	1.0075

Major Currencies

CCY	Closing Rate	YTD %	Major Crosses	CCY	Closing Rate	YTD %
EUR/USD	1.0527	(7.25)	EUR/GBP	0.8549	1.75	
GBP/USD	1.2322	(6.84)	GBP/JPY	160.71	3.51	
USD/JPY	130.4300	13.27	EUR/JPY	137.32	5.44	
USD/CHF	0.9960	8.98	EUR/CHF	1.0479	1.08	

Brief Technical Commentary

EUR / USD: EUR seems to consolidate in the 1.0470 to 1.0570 range weighted by tensions in the region. The daily chart still shows a bearish trend, but the oversold EUR might bounce to 1.06 and 1.0641 high of the week. Lower trend will continue to the 1.0470 and 1.04.

GBP / USD: Cable steady at 1.2334 on the daily chart from the low support level of 1.2260, oversold GBP is retracing some gains. The US dollar strength will continue and might see the low of 1.22 area. Having said that any reversal will touch the 1.24 and 1.2450.

Local & Global Rates

CCY	O/N	1-Month	3-Month	6-Month	1-Year
KWD	1.25	1.56	1.81	2.06	2.38
USD	0.78	0.79	1.20	1.62	2.21
EUR	-0.57	-0.53	-0.40	-0.18	0.26
GBP	0.94	0.94	1.12	1.37	1.76

Economic Events

Date	Country	Event	Actual	Forecast	Previous
05-May-22	GBP	Official Bank Rate	1.00%	1.00%	0.75%
06-May-22	USD	Average Hourly Earnings m/m	0.3%	0.4%	0.4%
06-May-22	USD	Non-Farm Employment Change	428K	390K	431K
06-May-22	USD	Unemployment Rate	3.6%	3.5%	3.6%
10-May-22	EUR	German ZEW Economic Sentiment	-34.3	-43.0	-41.0
11-May-22	USD	CPI m/m		0.2%	1.2%
11-May-22	USD	Core CPI m/m		0.4%	0.3%
12-May-22	GBP	Preliminary GDP q/q		1.0%	1.3%
12-May-22	USD	PPI m/m		0.5%	1.4%
13-May-22	USD	Core PPI m/m		0.6%	1.0%

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	1.90	2.62	2.91	2.98	3.11
Germany	-0.27	0.16	0.70	1.01	1.14
United Kingdom	1.21	1.30	1.48	1.85	2.05
Japan	-0.08	-0.05	0.01	0.24	1.02

Commodities

Index	Last Price	% Change	Global Indices	Index	Last Price	% Change
Kuwait Oil	110.84	0.59	Dow Jones	32,160.74	(0.26)	
Brent	104.88	2.36	Nikkei 225	26,184.13	0.07	
West Texas	102.13	2.38	S&P 500	4,001.05	0.25	
Gold	1,839.24	0.03	KuwaitSE	8,301.15	(1.03)	

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