



Key Market Highlights:

- Prices paid to US producers rose in September by more than expected, suggesting the persistence of inflationary pressures and likely keeping the Federal Reserve on its aggressive interest rate hike path. PPI in September climbed 0.4% from August, the first increase in three months, and was up 8.5% from a year ago. Core PPI, excluding food and energy, increased 0.3% in September and advanced 7.2% from a year earlier. CPI figures released today is forecast to show the headline inflation dipping to 8.1% from 8.3% in September from a year ago but the core rate is expected to rise to 6.5% from 6.3% in September from a year ago.
- The FOMC minutes released last night indicated that members were more worried about doing too little to stamp out inflation than about doing too much. Without any details on the size of likely rate moves in future meetings, policymakers reaffirmed their commitment to returning inflation to the Fed's 2% goal and maintain restrictive rates for as long as necessary even as the labor market slows. Policymakers also backed continuing to shrink the balance sheet at the current pace.
- All the way east in Japan, pipeline prices in September rose more than the expected 8.9%, rising 9.7% from 9.0% in August from a year ago. This was mainly attributed to the weak yen and rebound in global commodity prices. Despite inflationary pressures continuing to sizzle, Bank of Japan Governor Kuroda vowed to keep monetary policy loose to support an economic recovery.
- The greenback held onto its gains as major peers remained cornered in vain. The single currency lingered on the lower end of 0.9700 and the cable stayed trapped below 1.1100. The yen is well above the 145.90 level that prompted Japan's nearly \$20 billion intervention to buy the currency last month.

Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	0.9600	0.9650	0.9703	0.9750	0.9810
GBP	1.0960	1.1030	1.1090	1.1130	1.1210
JPY	145.60	146.25	146.80	147.30	147.55
CHF	0.9860	0.9920	0.9975	1.0020	1.0090

Major Currencies

CCY	Closing Rate	YTD %	Major Crosses	CCY	Closing Rate	YTD %
EUR/USD	0.9704	(4.65)	EUR/GBP	0.8740	4.15	
GBP/USD	1.1103	(3.02)	GBP/JPY	163.03	4.86	
USD/JPY	146.9100	27.60	EUR/JPY	142.54	9.34	
USD/CHF	0.9973	9.33	EUR/CHF	0.9679	(6.66)	

Brief Technical Commentary

EUR/USD: The pair remains in a consolidation while the market is awaiting the US CPI report. The current price is at 0.9703 and the expected range 0.9650-0.9750.

GBP/USD: The pair pulled back towards 1.1100, and currently trading at 1.1090. We expect the pair to continue towards our supports at 1.1030-1.0960.

Local & Global Rates

CCY	O/N	1-Month	3-Month	6-Month	1-Year
KWD	2.63	2.75	3.19	3.56	3.81
USD	3.05	3.30	3.83	4.20	4.46
EUR	0.66	0.84	1.34	2.00	2.69
GBP	2.19	2.58	3.37	4.24	5.08

Economic Events

Date	Country	Event	Actual	Forecast	Previous
11-Oct-22	GBP	BoE Governor Andrew Bailey Speaks			
12-Oct-22	GBP	GDP m/m	-0.3%	0.0%	0.2%
12-Oct-22	USD	Producer Price Index m/m	0.4%	0.2%	-0.1%
12-Oct-22	USD	Core Producer Price Index m/m	0.3%	0.3%	0.4%
12-Oct-22	USD	FOMC Meeting Minutes			
13-Oct-22	JPY	Producer Price Index y/y	9.7%	8.9%	9.4%
13-Oct-22	USD	CPI y/y		8.1%	8.3%
13-Oct-22	USD	Core CPI m/m		0.4%	0.6%
14-Oct-22	USD	Retail Sales m/m		0.2%	0.3%
14-Oct-22	USD	UoM Consumer Sentiment Index		59.1	58.6

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	4.22	4.31	4.14	3.92	3.90
Germany	1.65	1.80	2.04	2.31	2.32
United Kingdom	3.40	3.93	4.39	4.43	4.78
Japan	-0.12	-0.06	0.06	0.24	1.47

Commodities

Index	Last Price	% Change	Global Indices	Index	Last Price	% Change
Kuwait Oil	95.55	(2.18)	Dow Jones	29,210.85	(0.10)	
Brent	92.50	0.05	Nikkei 225	26,267.49	(0.49)	
West Texas	87.18	(0.10)	S&P 500	3,577.03	(0.33)	
Gold	1,670.95	(0.18)	KuwaitSE	7,014.46	(0.44)	

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