

Highlights in the Foreign Exchange Market:

- Freshly spiked inflation and loud warnings of increased geopolitical tensions start the week off with the dollar on the front foot. The euro wiped its recent gains and traded below 1.1350, hoping for a pulse from ECB's Lagarde speech today. The pound opened below 1.3550, putting its faith ahead of a batch of economic data out this week that could reheat aggressive rate hike bets against lofty economic expectations from BoE officials. The yen battled the dollar for safe-haven status and opened this morning at 115.50.
- In the US, several Fed members speeches throughout this week will set the stage ahead for the main FOMC meeting minutes on Wednesday to gauge the Fed's appetite of how aggressive policy normalization will be. With record-beating inflation and PPI also expected to show a moderate increase in pace in January, a 50bps rate hike next month is well priced in by markets. The 10-year Treasury yield ticked up to 1.95% and the 2-year yield ticked up to 1.52%.
- The air across the Atlantic carried softer hawkish sounds emphasizing gradual tightening. Lagarde's speech today is set to reveal more clues over the rate hike trajectory in Europe. Consumer sentiment in the region remains resiliently optimistic despite mounting inflation and less-than-impressive economic figures. In the UK, upcoming data releases will be scrutinized for signs of inflation's direction for the BoE to readjust their plans with the prospect of growth possibly coercing a more aggressive rate hike path.
- On the commodities complex, diplomatic efforts to resolve the Russian-Ukrainian situation has yet to cool the boiling oil rally threatened by sanctions on Russian exports in the midst of an already tight supply. German Chancellor Olaf Scholz will follow French counterpart Emmanuel Macron for another diplomatic push to deter Vladimir Putin from further escalation. Both WTI and Brent traded close to \$95 a barrel. Demand is also high for flights to safe-havens, keeping dust off gold above \$1,850 an ounce.

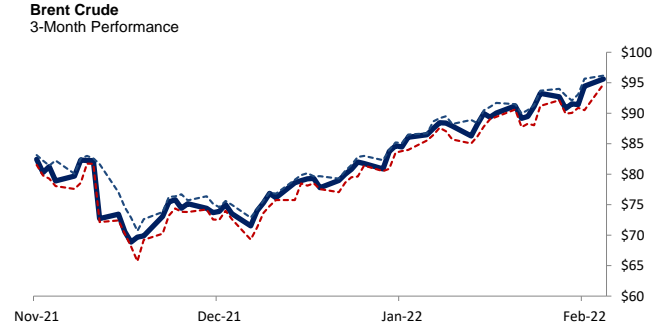
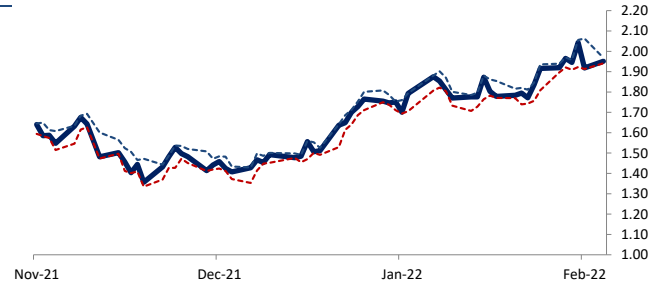


Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1260	1.1305	1.1347	1.1405	1.1450
GBP	1.3445	1.3485	1.3545	1.3610	1.3650
JPY	114.35	114.90	115.41	115.90	116.35
CHF	0.9145	0.9205	0.9256	0.9305	0.9365

Major Currencies

CCY	Closing Rate	YTD %	Major Crosses	CCY	Closing Rate	YTD %
EUR/USD	1.1349	(0.21)	EUR/GBP	0.8369	(0.27)	
GBP/USD	1.3560	0.06	GBP/JPY	156.51	0.62	
USD/JPY	115.4100	0.30	EUR/JPY	130.97	0.46	
USD/CHF	0.9256	1.41	EUR/CHF	1.0502	1.24	

Brief Technical Commentary

EUR/USD: The pair moved down to the 1.1328 level during Friday's trading session and currently trading at 1.1347. EUR/USD Resistance levels are at (1.1405-1.1450) any break above would take the pair up to 1.1495. Short term outlook is Neutral.

GBP/USD: The pair moved down to the 1.3512 level during Friday's trading session and currently trading at 1.3545. GBP/USD Resistance levels are at (1.3610-1.3650) any break above would take the pair up to 1.3750. Short term outlook is Bullish.

Local & Global Rates

CCY	O/N	1-Month	3-Month	6-Month	1-Year
KWD	0.88	1.25	1.50	1.75	2.00
USD	0.05	0.10	0.37	0.66	1.05
EUR	-0.58	-0.56	-0.52	-0.46	-0.30
GBP	0.45	0.46	0.75	1.12	1.53

Economic Events

Date	Country	Event	Actual	Forecast	Previous
10-Feb-22	USD	CPI m/m	0.6%	0.4%	0.5%
10-Feb-22	USD	Core CPI m/m	0.6%	0.5%	0.6%
11-Feb-22	GBP	Preliminary GDP q/q	1.0%	1.1%	1.1%
14-Feb-22	EUR	ECB President Lagarde Speaks			
15-Feb-22	EUR	ZEW Economic Sentiment		54.4	49.4
15-Feb-22	USD	PPI m/m		0.5%	0.2%
15-Feb-22	USD	Core PPI m/m		0.4%	0.5%
16-Feb-22	GBP	CPI y/y		5.4%	5.4%
16-Feb-22	USD	Retail Sales m/m		1.8%	-2.3%
16-Feb-22	USD	FOMC Meeting Minutes			

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	0.98	1.53	1.86	1.95	2.26
Germany	-0.64	-0.35	0.00	0.28	0.47
United Kingdom	1.24	1.40	1.42	1.54	1.61
Japan	-0.08	-0.04	0.03	0.22	0.88

Commodities

Index	Last Price	% Change	Global Indices	Index	Last Price	% Change
Kuwait Oil	95.70	2.97	Dow Jones	34,738.06	(1.43)	
Brent	95.49	1.11	Nikkei 225	27,103.19	(2.14)	
West Texas	93.15	3.62	S&P 500	4,418.64	(1.90)	
Gold	1,853.33	(0.40)	KuwaitSE	7,422.01	0.05	

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