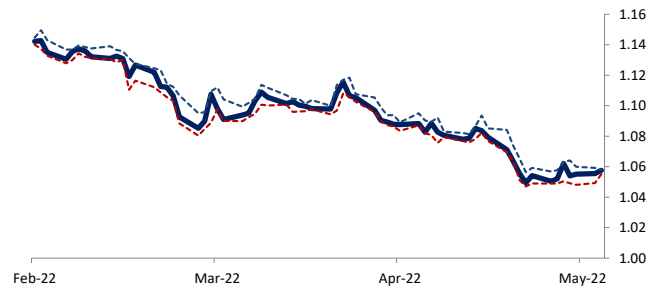


EUR/USD  
3-Month Performance



#### Highlights in the Foreign Exchange Market:

- Asian markets opened on a negative tone as global worries intensify over economic growth. The Nikkei index was down by 0.9% while the Hang Seng lost 2.83% during midmorning trade. In Wall Street, equities slumped with the Nasdaq leading the losses from yesterday's trading session dropping by 4.29%. The global selloff in equities is expected to continue as investors are rushing to protect themselves against a weakening economy.
- On the monetary policy front, the Fed Funds Futures are showing that the market is pricing in 7, 25 basis point, hikes till year end. which would send the overnight rate from the current 1% to 2.75% by year-end. The prospect of rising prices and interest rates while economic activity is slowing and shrinking can be a recipe for a recession.
- In the FX sphere, the US dollar index was steady at 103.6 having reached a 20-year high of 104.19 yesterday. A minor correction pushed the euro closer to the 1.06 level and the cable near the 1.24 level.
- In the commodities complex, Brent crude fell 1% to \$104.75 a barrel and U.S. West Texas Intermediate crude also declined 1.1% to \$101.96 a barrel, adding to a 6% slump in the previous session. Both contracts are still up about 35% so far this year.

#### Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.0340	1.0450	1.0580	1.0641	1.0730
GBP	1.2240	1.2310	1.2366	1.2420	1.2475
JPY	129.50	129.90	130.45	131.25	132.00
CHF	0.9750	0.9880	0.9915	1.0000	1.0075

#### Brief Technical Commentary

EUR / USD: After several days of not breaking the 1.0470, EUR corrected higher currently at 1.0577 on the daily chart heading towards 1.0641 first resistance level. If such area breaks then we can see the 1.07 and 1.0730 on the upside. Bearish trend is expected hence the 1.05 and 1.0450 should be the support levels.

GBP / USD: Cable found some ground around the 1.2250 support level, furthermore projected to test the 1.22 area. Now at 1.2364 on the daily chart, a bounce higher to 1.24 and 1.2450 is probable unless the strong US dollar demand continues.

#### Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.0555	(6.96)	EUR/GBP	0.8561	1.77
GBP/USD	1.2331	(8.57)	GBP/JPY	160.61	3.91
USD/JPY	130.2500	13.37	EUR/JPY	137.58	5.88
USD/CHF	0.9936	8.68	EUR/CHF	1.0490	1.17

#### Local & Global Rates

CCY	O/N	1-Month	3-Month	6-Month	1-Year
KWD	1.25	1.56	1.81	2.06	2.31
USD	0.78	0.79	1.20	1.65	2.27
EUR	-0.56	-0.55	-0.43	-0.21	0.25
GBP	0.94	0.94	1.12	1.39	1.82

#### 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		-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	2.61	2.96	3.05	3.16
Germany	-0.23	0.19	0.75	1.08	1.22
United Kingdom	1.26	1.36	1.56	1.95	2.16
Japan	-0.08	-0.05	0.01	0.25	1.03

#### Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	111.05	(4.53)	Dow Jones	32,245.70	(1.99)
Brent	105.30	(0.60)	Nikkei 225	26,102.66	(0.90)
West Texas	102.55	(0.69)	S&P 500	3,991.24	(3.20)
Gold	1,864.69	0.55	KuwaitSE	8,387.78	(0.24)

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