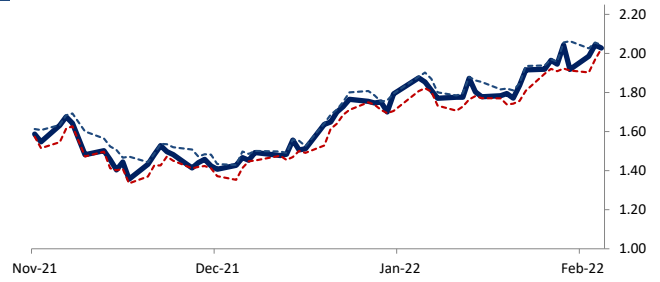


**Kuwaiti Dinar Today**

**0.30250 / 0.30260**

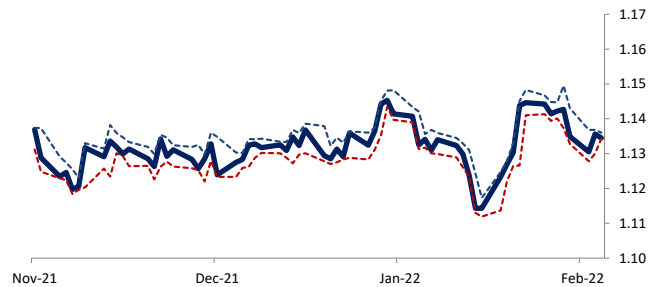
**10-Year Treasury Yield**  
3-Month Performance



**Highlights in the Foreign Exchange Market:**

- Inflation developments and central bank actions are back in the driver's seat after geopolitical tensions handed the wheel over to economic data with Russia partially pulling back armed forces from Ukraine. Confidence revved back in the markets and steered American and European equities back in the green and bond yields upwards.
- Continued supply and labor constraints accelerated producer prices in the US to 9.7% year-on-year in January, double the pace expected but better than last month's figure of 9.8%. Business sentiment from the Empire State Manufacturing Index delivered optimism, hitting 3.1 compared to the previous month's negative measure. Now fears over a potential recession from the Fed jamming the breaks too abruptly to tame inflation swept into the bond market. The 10-year Treasury yield is back above 2% at 2.03% and the 2-year yield stood at 1.55%. Markets await the FOMC meeting minutes out today for the direction forward.
- Optimism is clearing economic visibility in the Eurozone with GDP expanding by 0.3% last quarter (4.6% year-on-year) and employment improving for the third consecutive quarter by 0.5% last quarter and returning to pre-pandemic levels. The German ZEW Economic Sentiment Index improved to 54.3 compared to 51.7 last month. Across the channel though, the mood is somber with British wages falling at their fastest pace since 2014 by 1.2% and unemployment holding at 4.1% last quarter.
- Dollar gains swerved slightly while peers picked up speed amid cooling geopolitical tensions and safe haven outflows. The euro, powered by upbeat economic data, supercharged to 1.3560 before settling into the 1.3540 range. The pound cruised around 1.3540 ahead of CPI data out later today. Weaker than expected Japanese development in quarterly GDP (1.3% as opposed to 1.5%) unbuckled the yen's seatbelt as it hovers close to 115.70.
- The commodities rally slowed down with oil and gold prices retreating. Oil prices are back below \$95 a barrel. WTI traded at \$91.94 a barrel and Brent traded at \$93.02 a barrel. Gold slipped back to \$1,852.60 an ounce.

**EUR/USD**  
3-Month Performance



**Chart Points and Other Technical Input**

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1255	1.1305	<b>1.1347</b>	1.1400	1.1450
GBP	1.3445	1.3495	<b>1.3538</b>	1.3590	1.3650
JPY	114.60	115.05	<b>115.56</b>	115.95	116.50
CHF	0.9150	0.9195	<b>0.9251</b>	0.9295	0.9345

**Major Currencies**

CCY	Closing Rate	YTD %	Major Crosses	CCY	Closing Rate	YTD %
EUR/USD	1.1356	(0.17)	EUR/GBP	0.8388	(0.26)	
GBP/USD	1.3533	0.14	GBP/JPY	156.45	0.91	
USD/JPY	115.6200	0.51	EUR/JPY	131.28	0.73	
USD/CHF	0.9254	1.45	EUR/CHF	1.0509	1.30	

**Brief Technical Commentary**

EUR/USD: The pair moved up to the 1.1368 level during Tuesday's trading session and currently trading at 1.1347. EUR/USD Resistance levels are at (1.1400-1.1450) any break above would take the pair up to 1.1495. Short term outlook is Bullish.

GBP/USD: The pair moved down to the 1.3483 level during Tuesday's trading session and currently trading at 1.3538 GBP/USD Resistance levels are at (1.3590-1.3650) 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	0.07	0.38	0.70	1.13
EUR	-0.58	-0.55	-0.52	-0.45	-0.28
GBP	0.44	0.45	0.77	1.12	1.55

**Economic Events**

Date	Country	Event	Actual	Forecast	Previous
15-Feb-22	EUR	German ZEW Economic Sentiment	54.3	55.1	51.7
15-Feb-22	USD	PPI m/m	1.0%	0.5%	0.2%
15-Feb-22	USD	Core PPI m/m	0.8%	0.4%	0.5%
15-Feb-22	USD	Empire State Manufacturing Index	3.1	11.9	-0.7
16-Feb-22	GBP	CPI y/y		5.4%	5.4%
16-Feb-22	USD	Retail Sales m/m		2.1%	-1.9%
16-Feb-22	USD	FOMC Meeting Minutes			
18-Feb-22	GBP	Retail Sales m/m		1.1%	-3.7%
21-Feb-22	EUR	German Flash Manufacturing PMI			59.8
21-Feb-22	EUR	German Flash Services PMI			52.2

**Government Yields**

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	1.02	1.55	1.92	2.03	2.35
Germany	-0.68	-0.36	0.05	0.30	0.55
United Kingdom	1.26	1.52	1.51	1.58	1.60
Japan	-0.08	-0.03	0.04	0.21	0.92

**Commodities**

Index	Last Price	% Change	Global Indices	Index	Last Price	% Change
Kuwait Oil	93.23	(0.26)	Dow Jones	34,988.84	1.22	
Brent	93.16	(0.13)	Nikkei 225	27,404.17	2.01	
West Texas	92.02	(0.05)	S&P 500	4,471.07	1.58	
Gold	1,853.71	0.01	KuwaitSE	7,488.02	0.40	

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