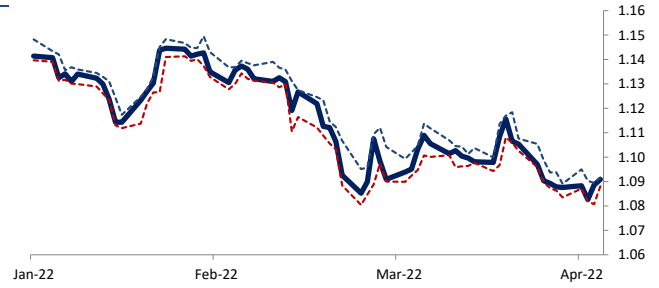


Highlights in the Foreign Exchange Market:

- In the US, the latest CPI figures were followed by headline PPI and core figures well exceeding estimates, wiping out any opportunity for leniency from the Fed. Producer prices in March jumped 1.4% from the previous month and 11.2% from a year ago, the most on record. Core PPI, which excludes food and energy, increased 1% in March from a month earlier and was up 9.2% from a year ago. It contrasted the latest core CPI figure, which showed a softening pace in core inflation. Treasury yields kept recoiling in their retreat from recent highs – the 10-year yield ticked down to 2.68% and the 2-year yield to 2.33%.
- The Fed is not alone grappling faster inflation. CPI in the UK rose by 1.1% in March alone, the fastest monthly increase on record, and surged by 7% annually, a 30-year high. Prices are set to surge further this month when a 54% increase in energy costs hits household bills. The pressure is piling on the Bank of England (BoE) to act when they meet next month. Across the Channel, no rate lift is expected from today's European Central Bank (ECB) meeting, but markets will tune in to their strategy after the release of the hawkish March meeting minutes last week and a revised inflation outlook in the wake of recent expectation-beating figures.
- A slide in US Treasury yields sapped the dollar's stamina despite the latest darting PPI figures. The crowd gathered in the euro in anticipation for the ECB meeting, bolstering it above 1.0900. The sterling also managed gain momentum with its latest record-breaking inflation figure, trading above 1.3120. The yen fled its 2-decade high of 126, but remains threatened by the widening policy divergence between its central bank and the Fed.
- Signs of deteriorating diplomacy around Russia's war in Ukraine and China's demand forecasts reviving as it looks to ease some of the more stringent lockdown conditions gave way for oil prices to reestablish above \$100 a barrel. Demand for inflation protection stepped up trailing the latest CPI and PPI figures and poor peace prospects in Europe, staging gold close to \$1,975 an ounce.

EUR/USD
3-Month Performance



Brent Crude
3-Month Performance

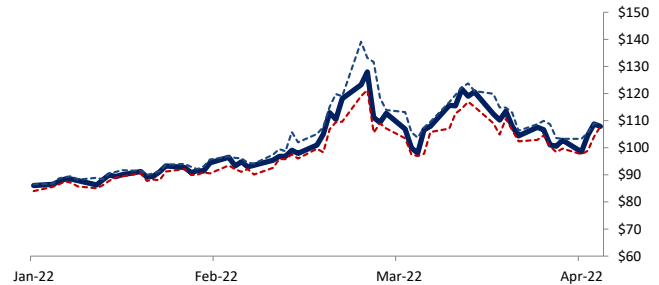


Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.0710	1.0800	1.0920	1.0975	1.1050
GBP	1.2970	1.3060	1.3140	1.3220	1.3300
JPY	124.00	125.00	125.40	126.31	127.00
CHF	0.9165	0.9255	0.9333	0.9410	0.9510

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.0885	(3.96)	EUR/GBP	0.8302	(1.13)
GBP/USD	1.3115	(2.86)	GBP/JPY	164.71	6.01
USD/JPY	125.6600	8.87	EUR/JPY	136.83	4.94
USD/CHF	0.9345	2.29	EUR/CHF	1.0180	(1.75)

Major Crosses

Brief Technical Commentary

EUR / USD: EUR bounced from the 1.0800 ending the weekly bearish trend, currently at 1.0920. The weekly and daily chart still shows a lower trend; hence, a break beyond 1.0800 should be key and we would expect some correction to resistance levels of 1.0975 and 1.1100.

GBP / USD: The Cable reversed sharply after the break below 1.3000 figure to 1.2970 then currently to 1.3141 on the hourly chart. Much demand for GBP weakened the strong US dollar and expectation to reach 1.3220 with high volatility. Support levels remain at 1.3060 and 1.3000.

Local & Global Rates

CCY	O/N	1-Month	3-Month	6-Month	1-Year
KWD	1.06	1.44	1.69	1.94	2.19
USD	0.29	0.51	0.85	1.25	1.84
EUR	-0.57	-0.54	-0.43	-0.32	0.01
GBP	0.69	0.77	0.99	1.25	1.70

Economic Events

Date	Country	Event	Actual	Forecast	Previous
12-Apr-22	EUR	German ZEW Economic Sentiment	-41.0	-48.4	-39.3
12-Apr-22	USD	CPI m/m	1.2%	1.2%	0.8%
12-Apr-22	USD	Core CPI m/m	0.3%	0.5%	0.5%
13-Apr-22	NZD	Official Cash Rate & RNBZ Statement	1.50%	1.25%	1.00%
13-Apr-22	GBP	CPI y/y	7.0%	6.7%	6.2%
13-Apr-22	USD	PPI m/m	1.4%	1.1%	0.8%
13-Apr-22	USD	Core PPI m/m	1.0%	0.5%	0.2%
14-Apr-22	AUD	Unemployment Rate	4.0%	3.9%	4.0%
14-Apr-22	EUR	Main Refinancing Rate		0.00%	0.00%
14-Apr-22	EUR	ECB Press Conference			

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	1.62	2.33	2.62	2.67	2.80
Germany	-0.37	0.07	0.56	0.78	0.91
United Kingdom	1.36	1.49	1.56	1.82	1.97
Japan	-0.10	-0.07	0.02	0.23	0.94

Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	108.94	0.64	Dow Jones	34,564.59	1.01
Brent	107.66	(1.05)	Nikkei 225	27,170.01	1.22
West Texas	102.99	(1.17)	S&P 500	4,446.59	1.12
Gold	1,974.83	(0.18)	KuwaitSE	8,271.42	0.34

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