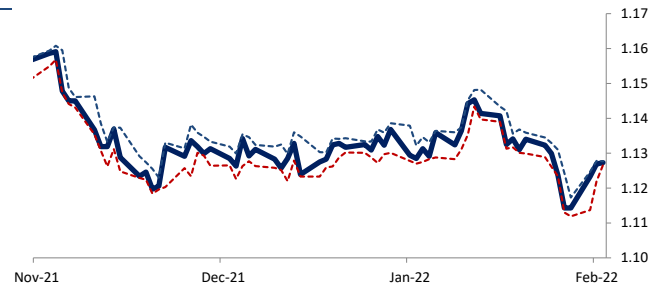


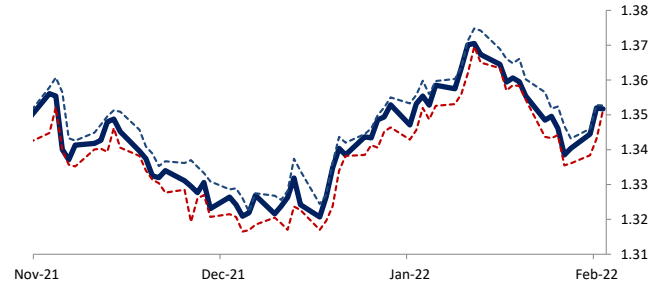
#### Highlights in the Foreign Exchange Market:

- Fed officials tried to manage market expectations, justifying their less hawkish stance of gradual tightening in an effort to avoid unnecessary disruptions to the market. The ISM manufacturing PMI came slightly higher than expected at 57.6, indicating overall economic expansion for the 20th month in a row after a contraction in April and May 2020. Markets are still feeding on strong corporate earnings and indices maintained their slow momentum upwards. Treasury yields budged slightly, the 10-year yield ticked up to 1.79% and the 2-year yield stood at 1.16%.
- Fresh European economic data signaling recovery and stubborn inflation continues to challenge the ECB's narrative ahead of tomorrow's meeting. Following Germany, higher-than-expected January CPI growth in France, the second largest economy in the region, came in at 3.3% year-on-year. Additionally, Eurozone unemployment fell to 7.0% in December 2021 compared to 7.1% in the previous month. The German Bund's 2-year yield climbed above the ECB's deposit rate for the first time since 2015 to -0.49% and the 10-year yield is still in positive territory. Markets are betting on rate hike this year in September and expect the ECB to reassess their dovish exit plan at their meeting tomorrow.
- The greenback remains under attack and is still challenged by its major peers. Strong Eurozone economic data and rising Bund yields pushed the single currency above firmly 1.1250. The cable printed fresh highs above 1.3520 as markets anticipate hawkishness from the Bank of England at tomorrow's meeting. Meanwhile, the safe-haven yen dipped below 115.
- The oil outlook remains bullish ahead of OPEC's meeting as dwindling supplies have been further exposed with the American Petroleum Institute's figures showing US crude stocks fell by 1.6 million barrels and threatened by persistent tensions in Europe. WTI stood at \$88.37 a barrel and Brent at \$89.34 a barrel. The strengthening greenback dusted gold's recent gains, falling again below but close to \$1,800 an ounce.

EUR/USD  
3-Month Performance



GBP/USD  
3-Month Performance



#### Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1175	1.1220	<b>1.1274</b>	1.1330	1.1370
GBP	1.3415	1.3470	<b>1.3520</b>	1.3565	1.3620
JPY	113.75	114.20	<b>114.75</b>	115.20	115.75
CHF	0.9115	0.9160	<b>0.9210</b>	0.9255	0.9315

#### Major Currencies

CCY	Closing Rate	YTD %	Major Crosses	CCY	Closing Rate	YTD %
EUR/USD	1.1269	(0.90)	EUR/GBP	0.8334	(0.81)	
GBP/USD	1.3520	(0.07)	GBP/JPY	155.13	(0.11)	
USD/JPY	114.7100	(0.29)	EUR/JPY	129.26	(0.80)	
USD/CHF	0.9214	1.01	EUR/CHF	1.0377	0.15	

#### Brief Technical Commentary

EUR/USD: The pair moved up to the 1.1278 level during Tuesday's trading session and currently trading at 1.1270. EUR/USD Resistance levels are at (1.1330-1.1370) any break above would take the pair up to 1.1450. Short term outlook is Bullish.

GBP/USD: The pair moved up to the 1.3528 level during Tuesday's trading session and currently trading at 1.3520 GBP/USD Resistance levels are at (1.3565-1.3620) any break above would take the pair up to 1.3705. 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	0.05	0.21	0.44	0.77
EUR	-0.57	-0.57	-0.55	-0.51	-0.45
GBP	0.20	0.42	0.53	0.73	1.03

#### Economic Events

Date	Country	Event	Actual	Forecast	Previous
27-Jan-22	USD	Advance GDP q/q	6.90%	5.30%	2.30%
28-Jan-22	USD	Core PCE Price Index m/m	0.50%	0.50%	0.50%
1-Feb-22	AUD	RBA Rate Statement			
1-Feb-22	USD	ISM Manufacturing PMI	57.6	57.4	58.7
2-Feb-22	ALL	OPEC Meetings			
3-Feb-22	GBP	BoE Monetary Policy Report			
3-Feb-22	EUR	ECB Monetary Policy Report			
3-Feb-22	USD	ISM Services PMI		59.00	62.00
4-Feb-22	CAD	Unemployment Rate		6.20%	5.90%
4-Feb-22	USD	Unemployment Rate		3.90%	3.90%

#### Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	0.74	1.16	1.62	1.79	2.11
Germany	-0.70	-0.49	-0.26	0.03	0.31
United Kingdom	0.94	1.03	1.14	1.30	1.42
Japan	-0.08	-0.06	-0.01	0.17	0.79

#### Commodities

Index	Last Price	% Change	Global Indices	Last Price	% Change
Kuwait Oil	90.06	0.00	Dow Jones	35,405.24	0.78
Brent	92.48	0.02	Nikkei 225	27,529.44	1.67
West Texas	88.27	0.11	S&P 500	4,546.54	0.69
Gold	1,797.48	(0.13)	KuwaitSE	7,387.72	0.10

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