

### Kuwaiti Dinar Today

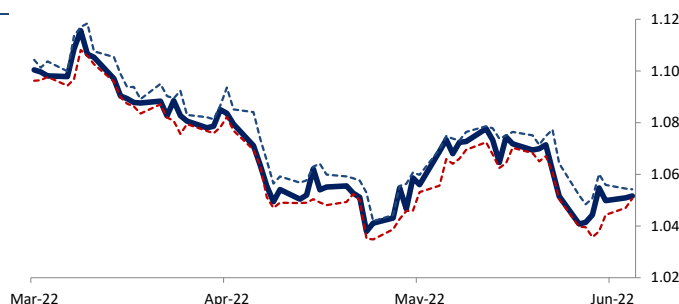
0.30635 / 0.30645

#### Highlights in the Foreign Exchange Market:

- US President Joe Biden reiterated his stance that a US recession is not "inevitable" following his conversation with former Treasury Secretary Lawrence Summers who sees a significant chance of a stagflation battle. Democrats are desperate for a policy response to battle the four-decade high inflation that may cost them control of the House and/or Senate in November's midterm elections. Seeking to subdue the surge in living costs, the Federal Reserve executed its biggest interest rate hike since 1994. The decision lead to losses on Wall Street and has increased fears of a recession - further compounding Biden's political troubles.
- Meanwhile, the US is currently in talks with Canada and other allies globally to further restrict Russia's energy revenue by imposing a price cap on oil without causing spillover effects to low-income countries, Treasury Secretary Janet Yellen said yesterday. Oil markets remain in backwardation, a bullish pattern in which near-term prices command a premium compared to longer-dated ones. The price for Brent crude has gained 47% YTD and was last seen trading near \$115.3 per barrel.
- Following a steep selloff, Asian stocks and US futures turned higher however concerns remain that aggressive central bank rate hikes may send the economy into a recession. The US dollar remains on high ground, sending the euro 2% lower this month after gaining ground in May with the pound following a similar trajectory and was last seen trading at 1.2260.

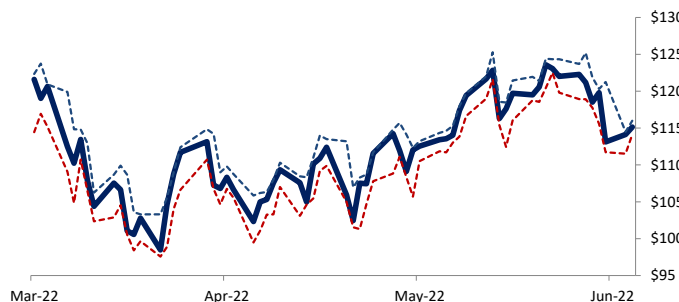
#### EUR/USD

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	1.0415	1.0470	1.0522	1.0580	1.0630
GBP	1.2130	1.2195	1.2266	1.2320	1.2385
JPY	133.90	134.50	135.10	135.60	136.10
CHF	0.9560	0.9620	0.9670	0.9730	0.9790

#### Brief Technical Commentary

EUR/USD: The pair moved up to the 1.0545 level during Monday's trading session and currently trading at 1.0522. EUR/USD Supports are at (1.0470-1.0415) any break below would take the pair down to 1.0360. Short term outlook is Bearish.

GBP/USD: The pair moved up to the 1.2280 level during Monday's trading session and currently trading at 1.2266. GBP/USD Supports are at (1.2195-1.2130) any break below would take the pair down to 1.2060. Short term outlook is Bearish.

#### Economic Events

Date	Country	Event	Actual	Forecast	Previous
16-Jun-22	CHF	SNB Policy Rate	-0.25%	-0.75%	-0.75%
16-Jun-22	GBP	Official Bank Rate	1.25%	1.25%	1.00%
17-Jun-22	JPY	BoJ Policy Rate	-0.10%	-0.10%	-0.10%
20-Jun-22	EUR	ECB President Lagarde Speaks			
21-Jun-22	AUD	RBA Governor Lowe Speaks			
22-Jun-22	GBP	CPI y/y		9.1%	9.0%
22-Jun-22	USD	Fed Chair Powell Testifies			
23-Jun-22	EUR	German Flash Manufacturing PMI		54.0	54.8
23-Jun-22	EUR	German Flash Services PMI		54.6	55.0
24-Jun-22	GBP	Retail Sales m/m		-0.6%	1.4%

#### Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.0509	(7.49)	EUR/GBP	0.8579	2.10
GBP/USD	1.2250	(9.37)	GBP/JPY	165.47	6.61
USD/JPY	135.0800	17.36	EUR/JPY	141.97	8.98
USD/CHF	0.9673	6.02	EUR/CHF	1.0168	(1.88)

#### Major Crosses

#### Local & Global Rates

CCY	O/N	1-Month	3-Month	6-Month	1-Year
KWD	1.50	1.81	2.13	2.38	2.75
USD	1.45	1.51	1.93	2.51	3.17
EUR	-0.57	-0.49	-0.17	0.29	1.12
GBP	1.19	1.20	1.49	2.02	2.68

#### Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	2.80	3.24	3.40	3.28	3.33
Germany	0.54	1.13	1.54	1.74	1.92
United Kingdom	2.21	2.28	2.29	2.56	2.77
Japan	-0.10	-0.07	0.06	0.23	1.23

#### Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	115.25	1.25	Dow Jones	29,888.78	(0.13)
Brent	122.77	0.02	Nikkei 225	26,394.45	2.42
West Texas	110.32	0.09	S&P 500	3,674.84	0.22
Gold	1,835.62	(0.17)	KuwaitSE	7,162.70	(0.21)

#### Global Indices

This Treasury Newsletter is a publication of the National Bank of Kuwait ("NBK"). Although the information in this document has been prepared in good faith and from sources which we believe to be reliable, we do not represent or warrant its accuracy and such information may not necessarily represent the actual market data. NBK accepts no liability whatsoever for any loss or damage arising from the use of this document or reliance on the information contained herein. NBK will not be responsible for the consequence of reliance upon any opinion or statement contained herein. For further information or discussion, please contact the Treasury Services Desk on TSD\_LIST@NBK.COM or +965 2221 6603 (FAX +965 2229 1441).