

Highlights in the Foreign Exchange Market:

- In Europe, Russia stated talks with Ukraine have resulted in no breakthroughs and that it was now regrouping forces in an effort to complete the takeover of the eastern Donbas region. Officials are set to meet again on Friday. Additionally, Germany said Russia has backed off its demand to purchase natural gas in rubles. Germany registered a massive 7.6% inflation rate, sending its 2-year bond yield into positive territory for the first time since 2014.
- Meanwhile, the US is now considering releasing up to 180 million barrels of oil over the next several months from strategic reserves. The suggestion comes as the White House attempts to lower fuel costs after prices surged since Russia invaded Ukraine last month. Concerns over slowing demand from China also weighed on prices. Crude prices fell sharply on the potential release by the US, with Brent crude dropping 10% this week and last seen trading near \$108. The International Energy Agency has warned that sanctions on a big energy exporter such as Russia will result in a reduction of 3% of global oil output by April.
- The greenback has so far declined 0.89% this week, allowing the euro and sterling to trade above 1.115 and 1.31, respectively. The stock rally seen so far this week lost momentum as hopes for a start of peace between Russia and Ukraine waned. Yields on rate-sensitive 2-year Treasury notes have climbed more than 150 bps for the quarter – marking the steepest rise since 1984 amid expectations of 8 interest rate hikes by the Federal Reserve. Meanwhile, return on the 10-year Treasury note, which is more sensitive to expectations of long-term growth, reached its highest since May 2019.

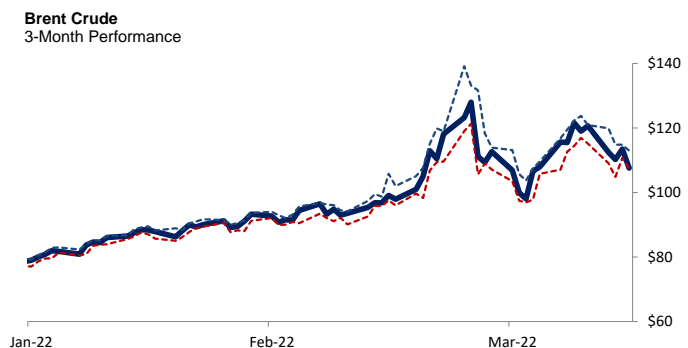
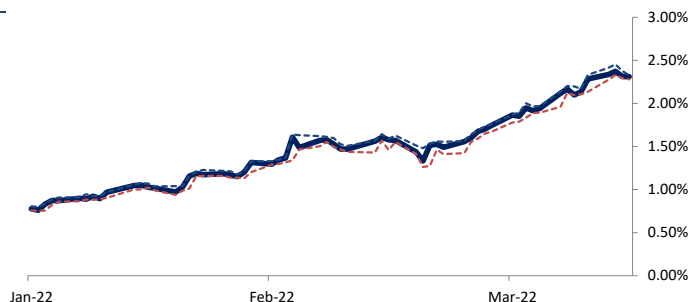


Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.0960	1.1070	1.1158	1.1280	1.1340
GBP	1.3000	1.3070	1.3110	1.3190	1.3280
JPY	120.90	121.30	122.30	123.20	124.20
CHF	0.9180	0.9200	0.9244	0.9320	0.9381

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1156	(1.79)	EUR/GBP	0.8492	1.21
GBP/USD	1.3131	(2.96)	GBP/JPY	160.00	2.99
USD/JPY	121.8000	5.88	EUR/JPY	135.92	4.37
USD/CHF	0.9232	1.22	EUR/CHF	1.0302	(0.56)

Major Crosses

Brief Technical Commentary

EUR / USD: EUR drifted higher on interest expectation, but the push was limited to resistance levels of 1.1183 currently at 1.1157 on the hourly chart. In order to break the bearish trend on the daily chart more levels 1.1280 and 1.13 area need to be broken. Support stands at 1.11 and 1.1070.

GBP / USD: Cable climbed to 1.3180 but fell to currently 1.3110 after failing to edge higher and break the bearish trend on the daily chart. Range of 1.33 and 1.3 figure is here to stay unless more news from the BOE or other bulletins that will help either the bearish trend or a sharp reversal higher.

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	0.28	0.31	0.65	1.08	1.71
EUR	-0.58	-0.53	-0.47	-0.38	-0.11
GBP	0.69	0.69	0.92	1.20	1.61

Economic Events

Date	Country	Event	Actual	Forecast	Previous
28-Mar-22	GBP	BoE Governor Bailey Speaks			
30-Mar-22	USD	ADP Non-Farm Employment Change	455K	455K	475K
30-Mar-22	USD	Crude Oil Inventories	-3.4M	-2.0M	-2.5M
31-Mar-22	ALL	OPEC-JMMC Meetings			
31-Mar-22	USD	Core PCE Price Index m/m		0.4%	0.5%
31-Mar-22	USD	Unemployment Claims		200K	187K
01-Apr-22	USD	Average Hourly Earnings m/m		0.4%	0.0%
01-Apr-22	USD	Non-Farm Employment Change		485K	678K
01-Apr-22	USD	Unemployment Rate		3.7%	3.8%
01-Apr-22	USD	ISM Manufacturing PMI		58.9	58.6

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	1.58	2.30	2.42	2.34	2.47
Germany	-0.43	0.00	0.49	0.66	0.73
United Kingdom	1.28	1.35	1.43	1.66	1.81
Japan	-0.07	-0.04	0.02	0.21	0.92

Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	107.87	(3.82)	Dow Jones	35,228.81	(0.19)
Brent	109.04	(3.89)	Nikkei 225	27,838.02	(0.68)
West Texas	102.68	(4.92)	S&P 500	4,602.45	(0.63)
Gold	1,924.91	(0.40)	KuwaitSE	8,131.40	(0.07)

Global Indices

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