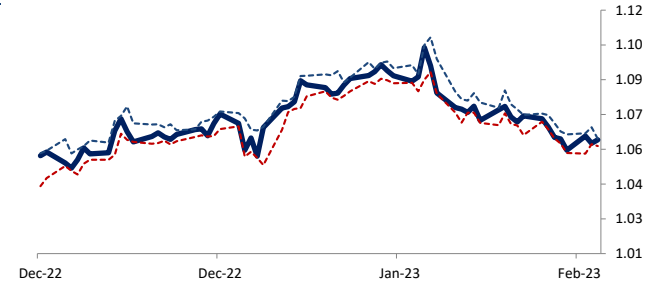


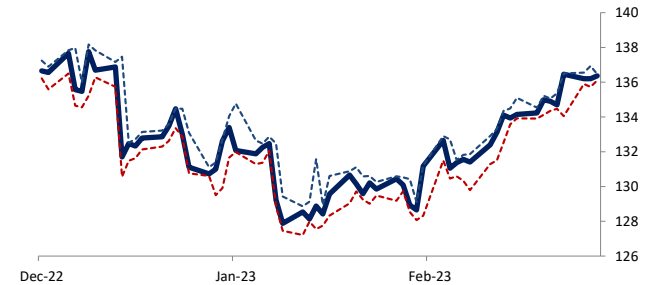
Kuwaiti Dinar Today

0.30680 / 0.30690

EUR/USD
3-Month Performance



USD/JPY
3-Month Performance



Key Market Highlights:

- Bank of Japan governor nominee Kazuo Ueda reiterated that he is not looking for immediate change regarding the ultra-loose monetary policy that is in place. Furthermore, he stressed that inflation needs to increase significantly in order for him to consider changing course for interest rates, and that inflation trend is the key to guiding monetary policy. Ueda's assessment of the Japanese economy is that inflation is primarily driven by import costs, not consumer demand, and that it would be wrong to tweak monetary policy to address side effects. The comments made by Ueda is seen by markets as dovish in the short-term, with the potential for an exit from ultra-loose policy if data comes in hot. The yen continues to weaken against the dollar amid elevated inflation data in the US and the potential for the Fed to hike higher and for longer than many anticipated. The USD/JPY currency pair is trading around the 136.33 mark as the uptrend continues given a hawkish Fed and a dovish BOJ that looks to maintain current policy at least for the time being.
- Over in the Euro zone, inflation pressures have started to ease as well as core prices. According to ECB Chief Economist Philip Lane, the European Central Bank will not stop rate hikes until it is certain price growth is going back down towards 2%, stating that there is significant evidence that monetary policy is kicking in. Further policymakers, including board member Isabel Schnabel and Dutch central bank Chief Klaas Knot, have voiced their concern that core inflation could linger and perpetuate inflation. The European Central Bank has raised rates by 3% since July and guaranteed another 0.5% increase in March, hopeful that more expensive funding will limit demand enough to get price growth down from levels above 8%. For the ECB to end rate hikes, Lane outlined three key deterrents. Through its three-year forecasting horizon, the central bank requires lower inflation. Additionally, the bank needs to progress in lowering actual underlying inflation. Lastly, it needs to conclude that monetary policy is effective.

Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.0480	1.0550	1.0590	1.0640	1.0700
GBP	1.1925	1.1990	1.2040	1.2085	1.2150
JPY	135.30	135.90	136.40	137.00	137.50
CHF	0.9290	0.9355	0.9405	0.9450	0.9510

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.0576	(1.02)	EUR/GBP	0.8795	(0.59)
GBP/USD	1.2020	(0.41)	GBP/JPY	163.69	3.59
USD/JPY	136.2000	4.00	EUR/JPY	144.06	2.97
USD/CHF	0.9421	1.74	EUR/CHF	0.9961	0.69

Brief Technical Commentary

EUR/USD: During yesterday's trading session the EUR retraced all the way towards (1.0645) then dropped and closed at (1.0576). The pair is currently trading at (1.0590) and we expect the pair to continue lower towards our support levels at (1.0550-1.0480) and we have our resistance level at (1.0640).

GBP/USD: During yesterday's trading session the cable moved all the way towards (1.2143) then dropped and closed at (1.2020). The pair is currently trading at (1.2040) and we expect the pair to continue lower towards our support levels at (1.1990-1.1925) and we have our resistance level at (1.2085).

Local & Global Rates

CCY	O/N	1-Month	3-Month	6-Month	1-Year
KWD	3.69	3.94	4.25	4.44	4.69
USD	4.55	4.66	4.89	5.15	5.33
EUR	2.34	2.42	2.72	3.24	3.68
GBP	3.93	4.00	4.20	4.42	4.67

Economic Events

Date	Country	Event	Actual	Forecast	Previous
24-Feb-23	USD	Core PCE Price Index m/m	0.6%	0.4%	0.4%
27-Feb-23	USD	Durable Goods Orders m/m	-4.5%	-3.7%	5.1%
27-Feb-23	JPY	BOJ Gov-Designate Ueda Speaks			
28-Feb-23	CAD	GDP m/m	-0.1%	0.0%	0.1%
28-Feb-23	USD	CB Consumer Confidence	102.9	108.5	107.1
01-Mar-23	AUD	CPI y/y	7.4%	8.1%	8.4%
01-Mar-23	GBP	BOE Gov Bailey Speaks			
01-Mar-23	USD	ISM Manufacturing PMI		47.9	47.4
02-Mar-23	NZD	RBNZ Gov Orr Speaks			
03-Mar-23	USD	ISM Services PMI		54.4	55.2

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	4.97	4.83	4.19	3.93	3.92
Germany	3.16	3.09	2.71	2.64	2.60
United Kingdom	4.04	3.66	3.69	3.82	4.13
Japan	-0.08	-0.04	0.19	0.49	1.36

Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	85.08	1.34	Dow Jones	32,656.70	(0.71)
Brent	83.96	0.60	Nikkei 225	27,509.65	0.23
West Texas	77.55	0.60	S&P 500	3,970.15	(0.30)
Gold	1,832.16	(0.06)	KuwaitSE	7,244.43	(0.31)

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).