

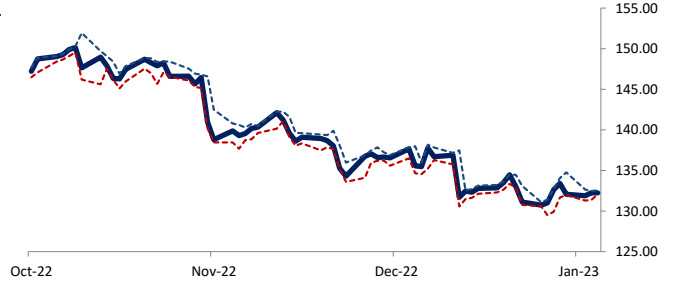
**Kuwaiti Dinar Today**

**0.30575 / 0.30585**

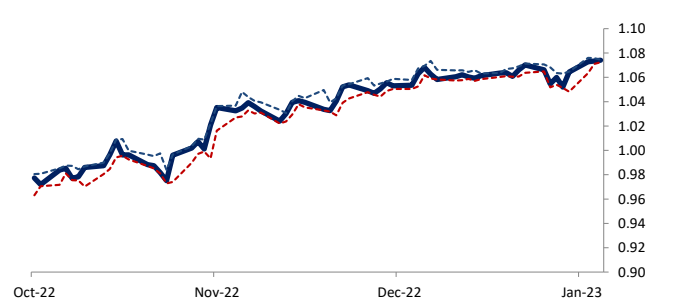
**Key Market Highlights:**

- The World Bank warns of a highly possible recession for the global economy in 2023. After initially forecasting 2023 global growth at 3.0% back in June 2022, the development lender has backtracked and changed expectations to a global GDP growth of 1.7% in 2023, in a figure considered the slowest paced since 1993, bar the 2009 and 2020 recessions. The bank stated that its newly forecasted 0.5% cuts to the heavily-regarded US and European economies could very well send the global economy into a recession. Meanwhile, emerging markets and developing economies will be the major losers, as they struggle to cope with slow business investment, weak currencies and heavy debts.
- Markets turned their attention to Federal Reserve speakers Jerome Powell and Michelle Bowman for guidance on the economy and interest rate paths. While Powell offered little guidance on his policy outlook, he did stress the importance of Fed autonomy and independence from political and climate factors, stating that tackling inflation requires "measures that are not popular." U.S equities edged higher after remarks from Chairman Powell. Meanwhile, Fed Governor Michelle Bowman signaled that more interest rate hikes are to come. Bowman added that once they do get to a sufficient restrictive federal funds rate, "it will need to remain at that level for some time." The yield on 10-year treasuries rose by several basis points, reaching 3.59%. The dollar index remained around 103.25 despite Bowman's hawkish stance, as Powell's lack of signaling and clarity on policy direction leaves markets to await Thursday's CPI print.
- The dollar's attempt to strengthen against the yen could very well be hindered once again with the news of Tokyo inflation hitting a four-decade high of 4.0% y/y, with the currency pair currently trading at 132.31. Fed Chair Jerome Powell avoided speaking about rate hikes yesterday, hampering the dollar's attempt to strengthen against major currencies, such as the euro, as the pair currently trades around 1.0742, not far off the seven-month high of 1.0760 hit on Monday.

**USD/JPY**  
3-Month Performance



**EUR/USD**  
3-Month Performance



**Chart Points and Other Technical Input**

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.0630	1.0690	<b>1.0735</b>	1.0785	1.0860
GBP	1.2030	1.2105	<b>1.2155</b>	1.2210	1.2290
JPY	131.35	131.80	<b>132.40</b>	132.90	133.55
CHF	0.9105	0.9180	<b>0.9225</b>	0.9265	0.9330

**Major Currencies**

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.0734	0.46	EUR/GBP	0.8830	(0.12)
GBP/USD	1.2155	0.57	GBP/JPY	160.69	1.43
USD/JPY	132.2500	0.82	EUR/JPY	141.95	1.31
USD/CHF	0.9223	(0.34)	EUR/CHF	0.9904	0.10

**Brief Technical Commentary**

EUR/USD: During yesterday's trading session, the pair failed to show a direction and remained in a consolidation awaiting the US CPI data. The pair is currently trading at (1.0735) and a major resistance at (1.0785) a breakout above that level will take us higher and our support is set at (1.0690).

GBP/USD: During yesterday's trading session, the cable tested the low of a consolidation range at (1.2107) and currently trading at (1.2155). We have our resistance set at (1.2210) a breakout about that level will take us higher, our support levels are set at (1.2105-1.2030).

**Local & Global Rates**

CCY	O/N	1-Month	3-Month	6-Month	1-Year
KWD	3.38	3.63	4.06	4.31	4.56
USD	4.31	4.43	4.63	4.80	4.85
EUR	1.88	1.90	2.27	2.81	3.33
GBP	3.43	3.55	3.84	4.12	4.37

**Economic Events**

Date	Country	Event	Actual	Forecast	Previous
09-Jan-23	EUR	Unemployment Rate	6.5%	6.5%	6.5%
10-Jan-23	CAD	BOC Gov Macklem Speaks			
10-Jan-23	JPY	BOJ Gov Kuroda Speaks			
10-Jan-23	USD	Fed Chair Powell Speaks			
11-Jan-23	AUD	CPI y/y	7.3%	7.2%	6.9%
11-Jan-23	JPY	Tokyo Core CPI y/y	4.0%	3.8%	3.6%
12-Jan-23	USD	CPI m/m		-0.1%	0.1%
12-Jan-23	USD	CPI y/y		6.5%	7.1%
13-Jan-23	GBP	GDP m/m		-0.2%	0.5%
13-Jan-23	USD	Prelim UoM Consumer Sentiment		60.6	59.7

**Government Yields**

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	4.68	4.23	3.70	3.59	3.71
Germany	2.64	2.61	2.30	2.27	2.12
United Kingdom	3.34	3.42	3.45	3.55	3.90
Japan	-0.02	0.02	0.23	0.49	1.62

**Commodities**

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	78.47	(1.32)	Dow Jones	33,704.10	0.56
Brent	79.40	0.02	Nikkei 225	26,427.56	0.96
West Texas	74.30	0.13	S&P 500	3,919.25	0.70
Gold	1,883.70	0.32	KuwaitSE	7,226.27	0.85

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