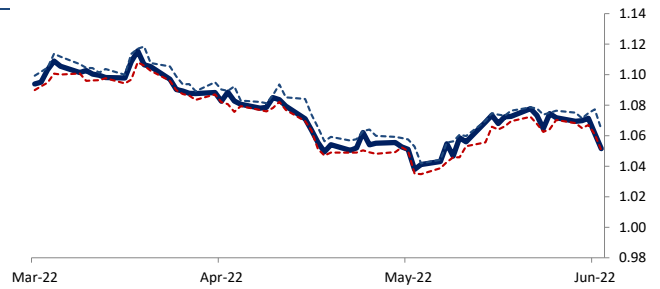


Highlights in the Foreign Exchange Market:

- In the United States the highly anticipated and closely monitored inflation data surfaced early on Friday showcasing an increase in price pressures. On annual basis the consumer price index in the US reached 8.6% from the previous reading of 8.3%. Core inflation, which excludes food and energy, reached 6% and beat expectations by 0.1%. Futures on the S&P 500 fell more than 1% after data showed prices surged by 8.6% last month, exacerbating concerns that the Fed's efforts to control inflation will tip the economy into a recession.
- The market is still pricing in 8 hikes worth 25 basis points each till year end, with the next three meetings having a 100% probability of a 50 basis point hike. The latest inflation data seems to support the rhetoric of the market that the Fed will need to continue to be aggressive in its tightening policy to contain inflation.
- The June ECB policy statement was unusually explicit in laying out the ECB's near-term intentions and its new forecasts. It stated that the "Governing Council intends to raise the key ECB interest rates by 25 basis points at its July monetary policy meeting". But for now, as widely expected, the ECB did not change its key interest rates as the deposit rate still stands at -0.50%. The ECB "expects to raise the key ECB interest rates again in September ... If the medium-term inflation outlook persists or deteriorates, a larger increment will be appropriate at the September meeting." This suggests that unless the inflation outlook improves between now and September, the door is very much open to a 50bp rise then.

EUR/USD
3-Month Performance



S&P 500
3-Month Performance

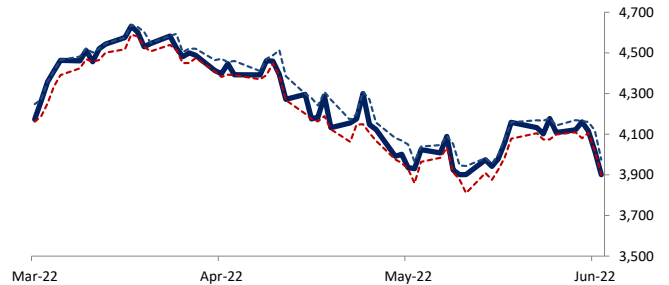


Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.0350	1.0460	1.0515	1.0642	1.0773
GBP	1.2150	1.2210	1.2314	1.2520	1.2610
JPY	132.50	133.35	134.42	135.00	136.75
CHF	0.9700	0.9764	0.9871	0.9987	1.0025

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.0515	(7.50)	EUR/GBP	0.8542	1.69
GBP/USD	1.2314	(8.98)	GBP/JPY	165.52	6.59
USD/JPY	134.42	6.83	EUR/JPY	141.35	8.46
USD/CHF	0.9871	8.21	EUR/CHF	1.0384	0.14

Major Crosses

Brief Technical Commentary

EUR / USD: EUR dropped one big figure after both US CPI figures and ECB announcements, extending the bearish trend of the high 1.0752 resistance. Inflation assisted the US dollar rally to new lows with the next support level 1.0460 and 1.0350.

GBP / USD: GBP slides from its consolidation of 1.2640 1.2470 to 1.23 psychological level. US dollar seems to continue and the next bearish trend is 1.2215 support level. Downtrend is shown on both daily and the weekly chart unless different news from the BOE this week.

Local & Global Rates

CCY	O/N	1-Month	3-Month	6-Month	1-Year
KWD	1.31	1.69	2.00	2.25	2.56
USD	0.75	1.26	1.55	1.96	2.55
EUR	-0.57	-0.54	-0.30	0.08	0.68
GBP	0.94	1.21	1.43	1.80	2.35

Economic Events

Date	Country	Event	Actual	Forecast	Previous
10-Jun-22	USD	CPI m/m	1.0%	0.7%	0.3%
10-Jun-22	USD	Core CPI m/m	0.6%	0.5%	0.6%
14-Jun-22	USD	PPI m/m		0.8%	0.5%
14-Jun-22	USD	Core PPI m/m		0.6%	0.4%
15-Jun-22	CNY	Industrial Production y/y		-1.0%	-2.9%
15-Jun-22	CNY	Retail Sales y/y		-7.0%	-11.1%
15-Jun-22	USD	Federal Funds Rate	1.50%	1.00%	
16-Jun-22	CHF	SNB Policy Rate	-0.75%	-0.75%	
16-Jun-22	GBP	BOE Official Bank Rate	1.25%	1.00%	
17-Jun-22	USD	Fed Chair Powell Speaks			

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	2.48	3.07	3.26	3.16	3.20
Germany	0.23	0.95	1.31	1.49	1.64
United Kingdom	1.92	2.02	2.11	2.42	2.56
Japan	-0.12	-0.10	-0.01	0.24	1.08

Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	122.92	(0.87)	Dow Jones	31,392.79	(2.73)
Brent	122.01	2.68	Nikkei 225	27,824.29	(1.49)
West Texas	120.67	2.59	S&P 500	3,900.86	(2.91)
Gold	1,870.96	1.26	KuwaitSE	7,496.71	(1.48)

Global Indices

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