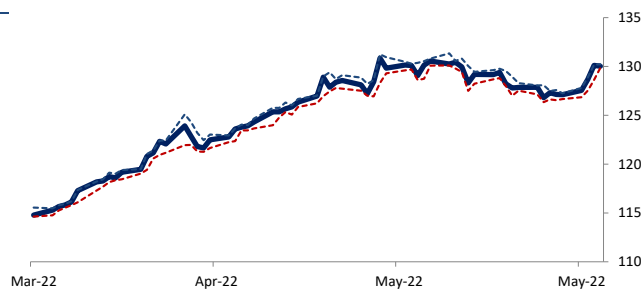


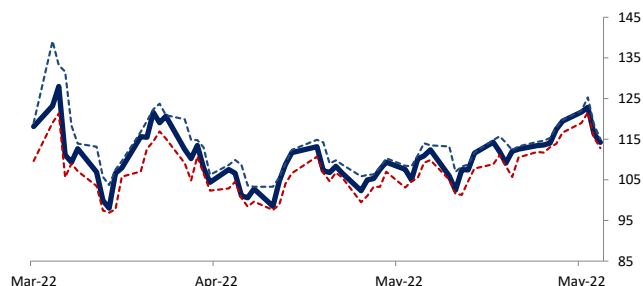
**Highlights in the Foreign Exchange Market:**

- Global equities could not gather gains after an unexpected advance in US manufacturing activity and higher job openings fanned fears that the Fed will have to be more restrictive against inflation. The latest ISM Manufacturing PMI stood in contrast to a handful of other regional Federal Reserve bank surveys (New York, Texas, Philadelphia, Richmond) that showed a clear pullback in factory activity in May from the previous month. Yields of US Treasuries trudged on – the 10-year yield held above 2.90% and the 2-year yield above 2.60%.
- With the commencement of the Fed's balance sheet reduction yesterday, a chorus of hawkish calls from central bank officials that are getting louder, and rising Treasury yields, the dollar regained its strength. The Japanese yen, reeling from its widening divergence in monetary policy with the US, traded in 130 after hitting a 3-week low of 130.23. Weak German retail data failed to support the euro above 1.0700. The British pound sank deeper below 1.2500.
- While China's gradual demand reemergence has been supportive for prices as of late, a stronger US dollar and the latest announcement from Saudi Arabia to pump more oil if needed kept oil prices tamed. After trading above \$120 a barrel, Brent settled around \$114 a barrel and WTI traded around \$113 barrel.

**USD/JPY**  
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	1.0540	1.0595	<b>1.0654</b>	1.0710	1.0760
GBP	1.2370	1.2430	<b>1.2481</b>	1.2540	1.2595
JPY	128.85	129.45	<b>130.02</b>	130.50	131.20
CHF	0.9490	0.9565	<b>0.9629</b>	0.9690	0.9740

**Major Currencies**

CCY	Closing Rate	YTD %	Major Crosses	CCY	Closing Rate	YTD %
EUR/USD	1.0646	(6.25)	EUR/GBP	0.8532	1.62	
GBP/USD	1.2482	(7.73)	GBP/JPY	162.46	4.56	
USD/JPY	130.1100	3.05	EUR/JPY	138.61	6.37	
USD/CHF	0.9628	5.58	EUR/CHF	1.0258	(1.01)	

**Brief Technical Commentary**

EUR/USD: The pair moved down to the 1.0625 level during Wednesday's trading session and currently trading at 1.0654. EUR/USD Supports are at (1.0595-1.0540) any break below would take the pair down to 1.0460. Short term outlook is Bearish.

GBP/USD: The pair moved down to the 1.2456 level during Wednesday's trading session and currently trading at 1.2481. GBP/USD Supports are at (1.2430-1.2370) any break below would take the pair down to 1.2315. Short term outlook is Bearish.

**Local & Global Rates**

CCY	O/N	1-Month	3-Month	6-Month	1-Year
KWD	1.31	1.63	1.88	2.13	2.44
USD	0.79	1.09	1.43	1.81	2.34
EUR	-0.57	-0.55	-0.34	-0.05	0.39
GBP	0.94	1.09	1.29	1.59	2.05

**Economic Events**

Date	Country	Event	Actual	Forecast	Previous
1-Jun-22	AUD	GDP q/q	0.8%	0.6%	0.3%
1-Jun-22	CNY	Caixin Manufacturing PMI	48.1	49.1	46.0
1-Jun-22	EUR	German Retail Sales	-5.4%	-0.5%	-0.1%
1-Jun-22	CAD	Overnight Rate & Rate Statement	1.50%	1.50%	1.00%
1-Jun-22	USD	ISM Manufacturing PMI	56.1	54.4	55.4
1-Jun-22	USD	JOLTS Job Openings	11.40M	11.29M	11.86M
2-Jun-22	USD	ADP Non-Farm Employment Change	295K	247K	
3-Jun-22	USD	Average Hourly Earnings m/m		0.4%	0.3%
3-Jun-22	USD	Non-Farm Employment Change	325K	428K	
3-Jun-22	USD	Unemployment Rate		3.5%	3.6%

**Government Yields**

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	2.09	2.65	2.93	2.91	3.05
Germany	0.01	0.54	0.88	1.17	1.44
United Kingdom	1.56	1.65	1.73	2.13	2.40
Japan	-0.10	-0.07	-0.01	0.24	1.04

**Commodities**

Index	Last Price	% Change	Global Indices	Last Price	% Change
Kuwait Oil	114.07	0.60	Dow Jones	32,813.23	(0.54)
Brent	114.21	(1.79)	Nikkei 225	27,415.88	(0.15)
West Texas	113.14	(2.00)	S&P 500	4,101.23	(0.75)
Gold	1,844.88	(0.06)	KuwaitSE	7,809.15	(0.18)

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