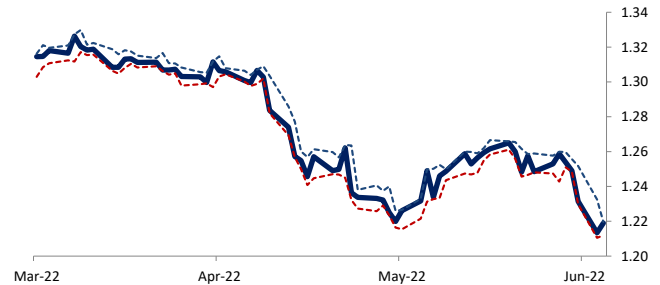


GBP/USD  
3-Month Performance



#### Highlights in the Foreign Exchange Market:

- The latest US CPI figure that could push the Fed to be more aggressive and consider a larger rate hike sent financial markets into haywire as they flash worry warnings of a recession. Equities globally ran in hiding to the red with the S&P 500 closing in bear market territory for the first time since January 2020. US Treasury yields roared in fear as the yield curve inverted once again. The 10-year yield settled at 3.35% while the 2-year yield settled at 3.38%.
- Across the Atlantic, the latest economic data from Britain raised potential stagflation flags. GDP unexpectedly contracted by 0.3%, marking a second consecutive month of negative growth. Monthly industrial and manufacturing production also posted figures that were worse than expectations and previous month's performance. That being said, the Bank of England's (BoE) Q2 forecast of 0.1% of growth looks unlikely to be reached with risks geared toward a quarterly GDP contraction of around 0.5% as a cost of living squeeze in the backdrop plunges consumer confidence to record lows.
- The greenback capitalized on the dampened mood and soaring Treasury yields as it positioned itself ahead of the Fed decision tomorrow. The cable traded in the throes of its lows around 1.2180 with confidence battered despite an upcoming BoE meeting later this week. The single currency picked up around 1.0430 after slipping below 1.0400 briefly. The yen remained defeated, sliding deeper into 134.

#### Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.0300	1.0390	<b>1.0430</b>	1.0520	1.0642
GBP	1.2075	1.2120	<b>1.2189</b>	1.2250	1.2375
JPY	132.75	133.35	<b>134.60</b>	135.40	136.44
CHF	0.9790	0.9870	<b>0.9960</b>	0.9990	1.0025

#### Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.0408	-8.31	EUR/GBP	0.8574	1.93
GBP/USD	1.2134	-8.01	GBP/JPY	163.09	5.54
USD/JPY	134.4000	17.00	EUR/JPY	139.88	7.68
USD/CHF	0.9976	9.18	EUR/CHF	1.0377	0.14

#### Major Crosses

#### Brief Technical Commentary

EUR / USD: EUR's strong bearish trend stalled at 1.0400 figure as market expectations of the Fed being more hawkish at Wednesday's meetings will create a volatile drive. Rumors will push the EUR lower below the 1.0400 to the support level of 1.0375, yet any bounce will reach the 1.0500 and 1.0520.

GBP / USD: GBP bottomed at the 1.2100 figure (2-year low), after weak UK data and rising US inflation dragged cable to lower lows, currently retracing at 1.2180. GBP weekly chart has a steep bearish trend and support levels should be 1.2100 and 1.2075. Any reverse will reach 1.2200-resistance level.

#### Local & Global Rates

CCY	O/N	1-Month	3-Month	6-Month	1-Year
KWD	1.31	1.63	1.94	2.19	2.50
USD	0.75	1.28	1.60	2.05	2.71
EUR	-0.57	-0.54	-0.30	0.08	0.68
GBP	0.94	1.26	1.47	1.88	2.54

#### 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%
13-Jun-22	GBP	GDP m/m	-0.3%	0.2%	-0.1%
13-Jun-22	GBP	Industrial Production m/m	-0.6%	0.3%	-0.2%
13-Jun-22	GBP	Manufacturing Production m/m	-1.0%	0.3%	-0.2%
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	USD	Retail Sales m/m		0.7%	0.6%
15-Jun-22	USD	Core Retail Sales m/m		0.1%	0.9%
15-Jun-22	USD	Federal Funds Rate		<1.50%	<1.00%

#### Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	2.75	3.36	3.49	3.35	3.33
Germany	0.35	1.12	1.49	1.62	1.70
United Kingdom	1.98	2.10	2.19	2.49	2.63
Japan	-0.10	-0.06	0.05	0.25	1.20

#### Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	121.92	1.57	Dow Jones	30,516.74	(2.79)
Brent	122.11	(0.13)	Nikkei 225	26,507.70	(1.78)
West Texas	120.81	(0.15)	S&P 500	3,749.63	(3.88)
Gold	1,825.00	0.31	KuwaitSE	7,433.15	(0.46)

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