

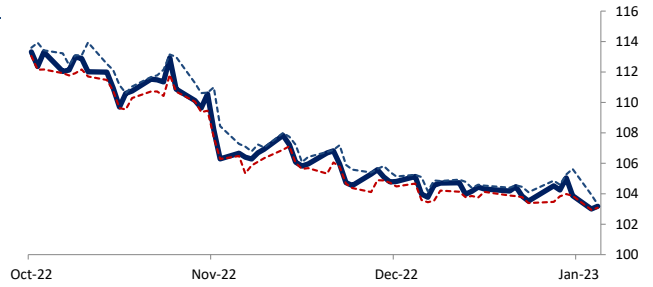
**Kuwaiti Dinar Today**

**0.30575 / 0.30585**

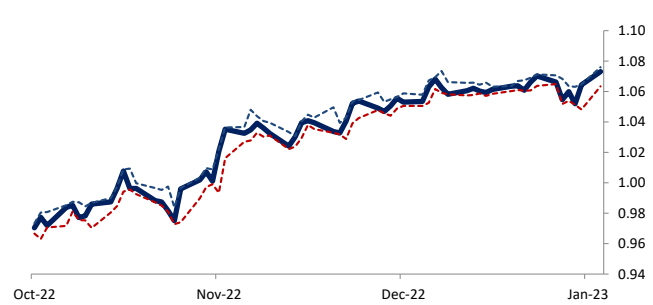
**Key Market Highlights:**

- Federal Reserve officials signaled that they will need to raise interest rates above 5% and keep it restrictive for longer than markets are expecting. Fed official Mary Daly said that she expects the Fed to raise interest rates above 5%. Meanwhile, Fed official Raphael Bostic reiterated the Fed's commitment to fight higher inflation, stating that he sees rates above 5% last for "a long time." Asian equities fell after hawkish Fed comments and U.S equity indexes S&P500 and the Dow Jones closed in negative territory. 10 year U.S treasuries held at 3.54% while Japan's 10 year treasury yield remained at the ceiling for the Bank of Japan's (BOJ) yield curve control at 0.5%.
- Over in the Eurozone, the unemployment rate was unchanged from its previous reading of 6.5%. However, the number of people without jobs fell from 10.851 million in October to 10.849 million in November, signaling that the labor market is still tightening. The Euro continues to strengthen against the dollar, reaching a high of 1.0760 yesterday, and now trading around the 1.0740 mark.
- Further east, Tokyo's inflation excluding food hit 4% in December for the first time since 1982. Tokyo inflation is a leading indicator of the nationwide trend, and the faster pace suggests prices are running hotter than the BOJ's projections. The figures are the last key price data before the central bank meets again next week to decide on policy and update its inflation forecasts. The Japanese yen is holding firm against the US dollar, with the currency pair still trading around 131.00-132.00. Contrary to the Fed's hawkish stance, the dollar continued to fall with the dollar index dropping by 2.49% yesterday to around 103.00.

**US Dollar Index**  
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 | 1.0625      | 1.0690      | <b>1.0730</b> | 1.0780         | 1.0860         |
| GBP | 1.2040      | 1.2110      | <b>1.2160</b> | 1.2210         | 1.2280         |
| JPY | 130.60      | 131.30      | <b>131.95</b> | 132.45         | 133.20         |
| CHF | 0.9110      | 0.9170      | <b>0.9220</b> | 0.9280         | 0.9350         |

**Major Currencies**

| CCY     | Closing Rate | YTD %  | CCY     | Closing Rate | YTD %  |
|---------|--------------|--------|---------|--------------|--------|
| EUR/USD | 1.0728       | 0.31   | EUR/GBP | 0.8807       | (0.26) |
| GBP/USD | 1.2183       | 0.59   | GBP/JPY | 160.69       | 1.16   |
| USD/JPY | 131.8800     | 0.54   | EUR/JPY | 141.51       | 0.89   |
| USD/CHF | 0.9213       | (0.35) | EUR/CHF | 0.9887       | (0.04) |

**Brief Technical Commentary**

EUR/USD: The pair made a new high at (1.0760) and currently trading at (1.0730). We have our support at (1.0690) and we expect the pair to continue higher towards our resistance levels at (1.0780-1.0860).

GBP/USD: The cable continued to move higher against the dollar and reached (1.2209), and currently trading at (1.2160). We have our support at (1.2110) and we expect the cable to continue higher towards our resistance levels at (1.2210-1.2280).

**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    | 4.64    | 4.83    | 4.91   |
| EUR | 1.89 | 1.90    | 2.25    | 2.81    | 3.33   |
| GBP | 3.43 | 3.53    | 3.83    | 4.11    | 4.39   |

**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%     | 6.9%     |
| 11-Jan-23 | USD     | 10-y Bond Auction             |        |          | 3.63 2.3 |
| 12-Jan-23 | USD     | CPI m/m                       |        | 0.0%     | 0.1%     |
| 12-Jan-23 | USD     | CPI y/y                       |        | 6.5%     | 7.1%     |
| 13-Jan-23 | GBP     | GDP m/m                       |        | -0.3%    | 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  | 4.62   | 4.21   | 3.67   | 3.53    | 3.65    |
| Germany        | 2.65   | 2.58   | 2.26   | 2.23    | 2.09    |
| United Kingdom | 3.34   | 3.39   | 3.43   | 3.52    | 3.94    |
| Japan          | -0.01  | 0.02   | 0.22   | 0.49    | 1.64    |

**Commodities**

| Index      | Last Price | % Change | Index      | Last Price | % Change |
|------------|------------|----------|------------|------------|----------|
| Kuwait Oil | 79.34      | (1.13)   | Dow Jones  | 33,517.65  | (0.34)   |
| Brent      | 79.28      | 0.03     | Nikkei 225 | 26,169.35  | 0.75     |
| West Texas | 74.27      | 0.13     | S&P 500    | 3,892.09   | (0.08)   |
| Gold       | 1,874.06   | 0.12     | KuwaitSE   | 7,165.12   | 0.34     |

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