

Key Market Highlights:

- Escalating tensions between Russia and Ukraine took center stage and sent markets to jitters. US equities ended Monday on a positive note after days of heavy losses - the S&P 500 rose 0.28%, the Dow Jones rose 0.29%, and the Nasdaq 100 rose 0.49%. The gains in US major indices came after plunging by 4% in early trading session yesterday. Nevertheless, year to date performance for US equities remains in the red zone with the Nasdaq leading the losses at an 11.44% drop. The 10-year Treasury yield was stable at 1.77%, but the 2-year yield fell below 1% to 0.97%.
- PMI manufacturing and services data came in mixed but signaled overall economic expansion on both sides of the Atlantic. The Omicron wave influenced softer demand, supply chain disruptions, and labor shortages. In the US and UK, numbers came in lower than expected while Germany reported a resilient start to 2022 with numbers in higher than expected. Despite a positive outlook for demand, potential choked gas supplies to Europe at a critical time threatens to aggravate already high inflation levels and economic growth.
- Heated geopolitics spread risk aversion on the FX side, which kept the dollar supported despite a recent pullback in US yields. The euro bore the tensions of the region and dropped to a low of 1.1291 yesterday. The sterling is back below the 1.35 range, and opened this morning lower at 1.3489 compared to 1.3550 yesterday. The yen remains in demand as a safe-haven destination with the pair holding steady below the 114 level.
- Commodities were not spared from the market flurry. Oil prices fell from their highs yesterday - WTI closed at \$83.31 a barrel and Brent closed at \$86.27 a barrel. Gold held on to its recent gains as investors seek for safety closing on Monday at 1,841.70 an ounce.

Brent Crude
3-Months Data



EUR/USD
3-Months Data

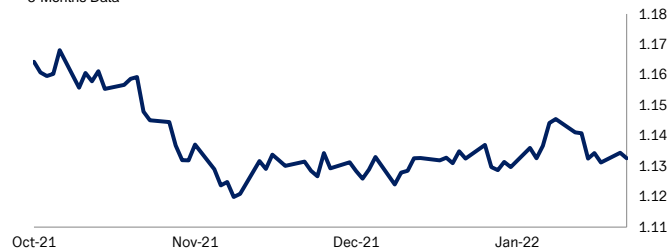


Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1220	1.1270	1.1312	1.1370	1.1420
GBP	1.3380	1.3425	1.3471	1.3525	1.3575
JPY	112.75	113.15	113.68	114.35	114.80
CHF	0.9050	0.9090	0.9151	0.9195	0.9245

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1326	-0.52	EUR/GBP	0.8397	0.20
GBP/USD	1.3488	-0.44	GBP/JPY	153.71	1.70
USD/JPY	113.95	1.23	EUR/JPY	129.07	1.80
USD/CHF	0.9137	-0.26	EUR/CHF	1.03	0.21

Brief Technical Commentary

EUR/USD: The pair moved down to the 1.1289 level during Monday's trading session and currently trading at 1.1312. EUR/USD Resistance levels are at (1.1370-1.1420) any break above would take the pair up to 1.1485. Short term outlook is Neutral.

GBP/USD: The pair moved down to the 1.3437 level during Monday's trading session and currently trading at 1.3471. GBP/USD Resistance levels are at (1.3525-1.3575) any break above would take the pair up to 1.3650. Short term outlook is Neutral.

Economic Events

Date	Country	Event	Actual	Forecast	Previous
24-Jan-22	EUR	German Flash Manufacturing PMI	60.5	56.9	57.4
24-Jan-22	EUR	German Flash Services PMI	52.2	47.9	48.7
24-Jan-22	GBP	Flash Manufacturing PMI	56.9	57.7	57.9
24-Jan-22	GBP	Flash Services PMI	53.3	53.9	53.1
24-Jan-22	USD	Flash Manufacturing PMI	55.0	56.9	57.7
24-Jan-22	USD	Flash Services PMI	50.9	54.9	57.6
25-Jan-22	EUR	German ifo Business Climate		94.1	94.7
26-Jan-22	USD	FOMC Statement			
27-Jan-22	USD	Advance GDP q/q		5.3%	2.3%
27-Jan-22	USD	Unemployment Claims		260K	286K

Local & Global Rates

CCY	O/N	1-Month	3-Month	6-Month	1-Year
KWD	0.00	1.25	1.50	1.75	2.00
USD	0.0400	0.0588	0.1671	0.3308	0.5960
EUR	-0.5730	-0.5590	-0.5520	-0.5220	-0.4620
GBP	0.1967	0.3486	0.4522	0.6246	0.8855

Government Yields

Country	2-Year	3-Year	5-Year	10-Year	30-Year
United States	1.01	1.26	1.54	1.76	2.10
Germany	-0.73	-0.58	-0.38	-0.11	0.19
United Kingdom	0.86	0.90	0.96	1.12	1.24
Japan	-0.08	-0.08	-0.04	0.13	0.72

Commodities

Index	Last Price	1D % Change	Index	Last Price	1D % Change
Kuwait Oil	89.01	0.99	Dow Jones	34,364.50	0.29
Brent	86.78	0.59	Nikkei 225	27,092.73	-1.80
West Texas	83.69	0.46	S&P 500	4,410.13	0.28
Gold	1,842.07	-0.05	KuwaitSE	7,335.72	-0.20

All information has been sourced from Bloomberg

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