

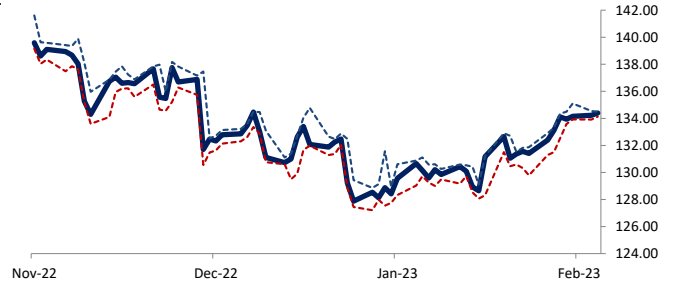
**Kuwaiti Dinar Today**

**0.30635 / 0.30645**

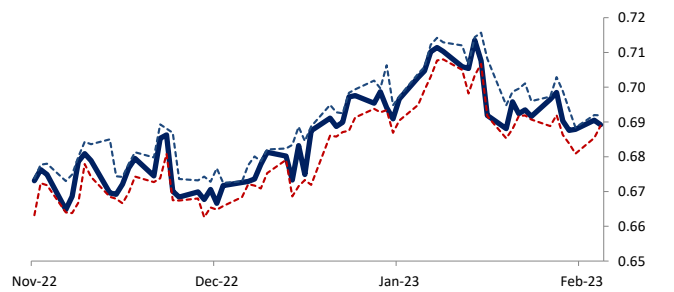
**Key Market Highlights:**

- Japanese manufacturing fell at its fastest rate in nearly 2.5 years, dropping to the lowest levels since September 2020. The Jibun flash manufacturing PMI fell to 47.4, down from the previous 48.9 figure and significantly lower than the forecasted 49.3 number. On the other hand, the services PMI reading surprised markets, as it rose to 53.6 up from the previous 52.3 figure. The USD/JPY currency pair traded higher, reaching the 134.40 mark. Despite hawkish comments from Governor Kuroda, the yen continued to decline. Markets will turn their attention to further US economic data and the Federal Reserve minutes which could have an effect on the currency pair.
- Minutes of the Reserve Bank of Australia's February 7th policy meeting showed policy members considered a 50 basis point hike for its first interest rate increase of 2023, eventually opting for a 25 basis-point change, while making an unexpectedly hawkish policy shift. Board members decided that additional interest rates increases are expected and necessary over the months to come, abandoning all views of pausing rate hikes and keeping steady with market pricing. The hawkish turn surprised investors who gradually revised up the expected peak for interest rates to 4.2%, compared with 3.6% back in January. Data on Australia's Q4 Wage Price Index, released tomorrow, is essential for determining interest rates and is the key focus. The data could help steer monetary policy, with wage growth seen picking up in the fourth quarter last year. The average estimate is for wages to rise 3.5% — a level last seen in September 2012. The RBA expects wage growth to top 4.2% by the end of 2023. A robust wages figure would justify the central bank's hawkish turn.

**USD/JPY**  
3-Month Performance



**AUD/USD**  
3-Month Performance



**Chart Points and Other Technical Input**

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.0560	1.0620	<b>1.0665</b>	1.0715	1.0770
GBP	1.1920	1.1980	<b>1.2022</b>	1.2075	1.2125
JPY	133.15	133.75	<b>134.30</b>	134.80	135.40
CHF	0.9140	0.9200	<b>0.9241</b>	0.9290	0.9335

**Major Currencies**

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.0682	#N/A	EUR/GBP	0.8870	#N/A
GBP/USD	1.2038	(0.56)	GBP/JPY	161.62	<b>1.88</b>
USD/JPY	134.2300	<b>2.45</b>	EUR/JPY	143.46	<b>2.18</b>
USD/CHF	0.9234	(0.08)	EUR/CHF	0.9861	(0.36)

**Brief Technical Commentary**

EUR/USD: The EUR had a slow trading session yesterday because of the US Holiday, currently trading at (1.0665). A breakout below (1.0620) will continue the bearish trend for the EUR with support at (1.0560) and our resistance levels set at (1.0715-1.0770).

GBP/USD: The cable had a slow trading session yesterday because of the US Holiday and currently trading at (1.2022). A breakout below (1.1980) will take us lower and a breakout above (1.2075) will shift the trend to bullish and our resistance will be at (1.2150).

**Local & Global Rates**

CCY	O/N	1-Month	3-Month	6-Month	1-Year
KWD	3.69	3.94	4.25	4.44	4.69
USD	4.55	4.56	4.81	5.04	5.19
EUR	2.35	2.37	2.67	3.21	3.57
GBP	3.93	3.93	4.10	4.26	4.38

**Economic Events**

Date	Country	Event	Actual	Forecast	Previous
21-Feb-23	AUD	Monetary Policy Meeting Minutes			
21-Feb-23	EUR	German Flash Manufacturing PMI		48.0	47.3
21-Feb-23	EUR	Flash Services PMI		51.0	50.7
21-Feb-23	CAD	CPI m/m			-0.6%
21-Feb-23	USD	Flash Services PMI		47.3	46.8
22-Feb-23	USD	FOMC Meeting Minutes			
23-Feb-23	USD	Prelim GDP q/q			
23-Feb-23	USD	Unemployment Claims		200K	194K
23-Feb-23	ALL	G20 Meetings			
24-Feb-23	USD	Core PCE Price Index m/m		0.4%	0.3%

**Government Yields**

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	4.96	4.65	4.07	3.85	3.89
Germany	3.04	2.89	2.53	2.45	2.41
United Kingdom	3.75	3.72	3.39	3.48	3.91
Japan	-0.10	-0.04	0.23	0.50	1.48

**Commodities**

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	83.11	(0.29)	Dow Jones	33,826.69	<b>0.39</b>
Brent	83.08	(1.19)	Nikkei 225	27,482.99	(0.18)
West Texas	76.57	(1.08)	S&P 500	4,079.09	(0.28)
Gold	1,883.36	(0.06)	KuwaitSE	7,357.68	(0.09)

This Treasury Newsletter is a publication of the National Bank of Kuwait ("NBK"). Although the information in this document has been prepared in good faith and from sources which we believe to be reliable, we do not represent or warrant its accuracy and such information may not necessarily represent the actual market data. NBK accepts no liability whatsoever for any loss or damage arising from the use of this document or reliance on the information contained herein. NBK will not be responsible for the consequence of reliance upon any opinion or statement contained herein. For further information or discussion, please contact the Treasury Services Desk on TSD\_LIST@NBK.COM or +965 2221 6603 (FAX +965 2229 1441).