

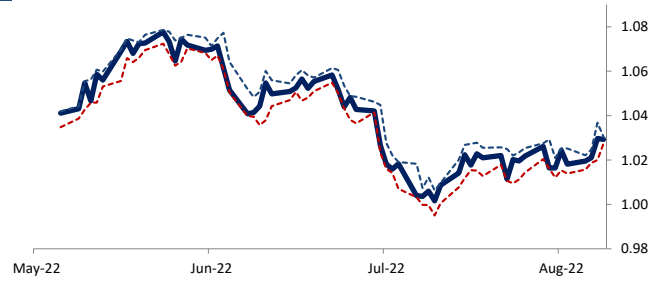
**Kuwaiti Dinar Today**

**0.30635 / 0.30645**

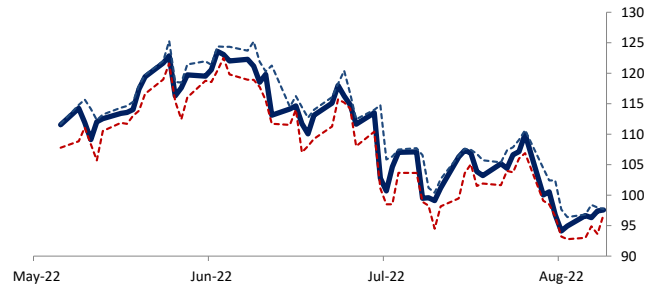
**Highlights in the Foreign Exchange Market:**

- Inflation in the US was flat in July, with headline CPI at 8.5% year-on-year from 9.1% in June, the largest month-on-month deceleration of price increases since 1973. The number reflects lower energy prices, though food costs continue to rise. Core CPI also rose by less than forecast, up 5.9% year-on-year, a 10-month low. Healthcare and housing remained key sources of inflation in July while costs of airline fares, appliances, clothing, and used vehicles declined.
- Price pressures are still intense and Fed officials were quick to push back against moderating market expectations and stress more rate hikes are coming. Minneapolis Fed President Neel Kashkari said expectations that the Fed will lower rates next year was "unrealistic" as inflation will still likely be well above 2%. The report was the first "positive" reading on inflation since the Fed began raising interest rates in March, Chicago Fed President Charles Evans. He also added that inflation is still "unacceptably" high and the Fed will likely need to lift its policy rate to 3.25%-3.50% this year and to 3.75%-4.00% by the end of next year.
- Despite the softer-than-expected US inflation print, the chorus of Fed officials solidifying rate hike odds powered the dollar. The euro tumbled from above 1.0300 to settle just above 1.0275. The sterling also lost grip above 1.2200 and settled around 1.2185. The yen's breather to 132 was short-lived as the dollar's strength pushed it lower beyond 133.
- The Central Bank of Kuwait raised its discount rate by 25bps to 2.75% in response to inflationary pressures. The bank also increased the rate by 25bps on July 27th after the 75bps rate hike by the Fed.

**EUR/USD**  
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	1.0155	1.0262	<b>1.0286</b>	1.0330	1.0360
GBP	1.2023	1.2116	<b>1.2192</b>	1.2285	1.2350
JPY	130.58	132.09	<b>133.20</b>	134.34	135.50
CHF	0.9325	0.9400	<b>0.9439</b>	0.9530	0.9644

**Major Currencies**

CCY	Closing Rate	YTD %	Major Crosses	CCY	Closing Rate	YTD %
EUR/USD	1.0297	(9.47)	EUR/GBP	0.8426	0.39	
GBP/USD	1.2225	(9.80)	GBP/JPY	162.52	4.48	
USD/JPY	132.8700	15.55	EUR/JPY	136.88	5.02	
USD/CHF	0.9423	3.32	EUR/CHF	0.9708	(6.42)	

**Brief Technical Commentary**

EUR / USD: The Euro strengthened against a weakened US dollar due the lower US CPI, and printed a new monthly high at 1.0368 which is a strong resistance. The current price is at 1.0286 and we're expecting it to hit support around 1.0262 before continuing higher towards 1.0330.

USD / JPY: The pair lost more than 200 pips during Wednesday's trading session, due to the released US inflation data which suggested that the Fed might move towards a dovish stance while maintaining the rate hikes. The current price is at 133.15 and we're expecting it to move in a range of 131.500-135.00.

**Local & Global Rates**

CCY	O/N	1-Month	3-Month	6-Month	1-Year
KWD	1.88	2.19	2.50	2.75	3.06
USD	2.29	2.32	2.74	3.13	3.40
EUR	-0.07	-0.02	0.32	0.74	1.11
GBP	1.69	1.69	2.00	2.39	2.77

**Economic Events**

Date	Country	Event	Actual	Forecast	Previous
5-Aug-22	USD	Average Hourly Earnings m/m	0.5%	0.3%	0.4%
5-Aug-22	USD	Non-Farm Employment Change	528K	250K	398K
5-Aug-22	USD	Unemployment Rate	3.5%	3.6%	3.6%
10-Aug-22	USD	CPI m/m	0.0%	0.2%	1.3%
10-Aug-22	USD	Core CPI m/m	0.3%	0.2%	1.3%
11-Aug-22	USD	PPI m/m		0.3%	1.1%
11-Aug-22	USD	Core PPI m/m		0.4%	0.4%
12-Aug-22	GBP	GDP m/m		-1.2%	0.5%
12-Aug-22	GBP	Prelim GDP q/q		-0.2%	0.8%
12-Aug-22	USD	Prelim UoM Consumer Sentiment		52.5	51.5

**Government Yields**

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	3.24	3.19	2.91	2.77	3.04
Germany	0.41	0.53	0.65	0.90	1.13
United Kingdom	2.04	1.84	1.78	1.94	2.33
Japan	-0.15	-0.11	-0.02	0.18	1.09

**Commodities**

Index	Last Price	% Change	Global Indices	Index	Last Price	% Change
Kuwait Oil	105.30	2.74	Dow Jones	33,309.51	1.63	
Brent	97.58	0.18	Nikkei 225	27,819.33	(0.65)	
West Texas	92.09	0.21	S&P 500	4,210.24	2.13	
Gold	1,785.00	(0.42)	KuwaitSE	7,723.61	0.44	

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