

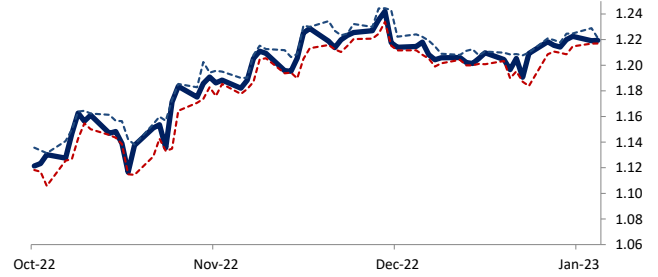
Kuwaiti Dinar Today

0.30525 / 0.30535

Key Market Highlights:

- Markets turned their attention to Bank of England's Governor Andrew Bailey, as he talked about economic and market conditions. Governor Bailey said that inflation looks to fall this year citing that energy prices are coming down. Furthermore, Bailey said that it will take some time "to convince people we're back to normal" after Liz Truss's September mini-budget calamity led to weakened investor confidence in UK assets. Additionally, he warned about the shrinking labor force in the UK stating, "Major risk to BOE's central case for inflation coming down is UK labor shortage." Governor Bailey added that he expected the impact of COVID in China to be negative short term, but doesn't think it will last. Andrew Bailey's comments had little impact on GBP/USD with the currency pair trading around the 1.22 figure. The Bank of England is expected to raise interest rates with markets fully pricing in a 25 basis point hike. The UK's upcoming CPI print on Wednesday will give markets insight into the direction the economy is headed as well as the potential rate paths the Bank of England could take.
- China's economic growth in 2022 fell to one of its worst in nearly half a century, as Q4 takes a hard hit by drastic COVID measures and a property market slump, raising pressure on policymakers to unveil more stimulus this year. Furthermore, China's oil refinery output in 2022 fell 3.4% from a year earlier, its first annual decline since 2001, as China's rigid COVID-19 measures took a toll on the economy and fuel consumption. GDP grew 2.9% in Q4 from a year earlier, slower than the Q3's 3.9% pace. For 2022, GDP expanded 3.0%, badly missing the official target of "around 5.5%" and braking sharply from 8.4% growth in 2021, it is the worst showing since 1976. Growth is expected to rebound to 4.9% in 2023, as Chinese leaders move to tackle some key drags on growth. Most economists expect growth to pick up from the second quarter in 2023. On a different note, China's population dropped in 2022 for the first time in over 60 years, a significant turn that is anticipated to mark the start of a long era of decline in its citizen numbers with profound implications for its economy and the world.

GBP/USD
3-Month Performance



USD/CNY
3-Month Performance

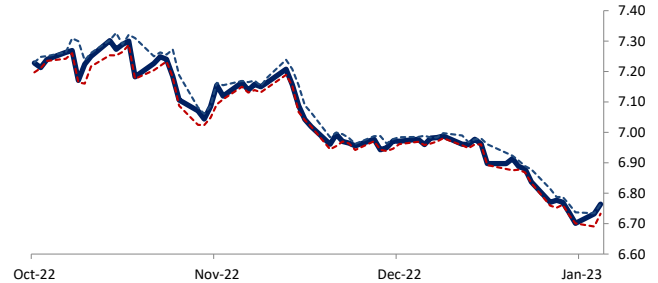


Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.0720	1.0780	1.0824	1.0870	1.0930
GBP	1.2080	1.2145	1.2190	1.2240	1.2290
JPY	127.20	128.10	128.70	129.30	130.15
CHF	0.9160	0.9205	0.9253	0.9300	0.9350

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.0816	1.14	EUR/GBP	0.8872	0.35
GBP/USD	1.2191	0.79	GBP/JPY	156.78	(1.06)
USD/JPY	128.5400	(1.85)	EUR/JPY	139.07	(0.71)
USD/CHF	0.9265	0.03	EUR/CHF	1.0022	1.19

Brief Technical Commentary

EUR/USD: During yesterday's trading session, the pair made a new high at (1.0873) then started to retrace, currently trading at (1.0824). We expect to remain in a range of (1.0780-1.0870) a breakout below or above will dictate the direction.

GBP/USD: During yesterday's trading session, the cable started to retrace, and currently trading at (1.2190). We expect to remain in a range of (1.2145-1.2240) a breakout below or above will dictate the direction.

Local & Global Rates

CCY	O/N	1-Month	3-Month	6-Month	1-Year
KWD	3.38	3.63	4.06	4.31	4.63
USD	4.30	4.48	4.63	4.79	4.82
EUR	1.90	1.91	2.33	2.88	3.32
GBP	3.43	3.63	3.88	4.12	4.32

Economic Events

Date	Country	Event	Actual	Forecast	Previous
16-Jan-23	JPY	PPI y/y	10.2%	9.5%	9.3%
16-Jan-23	GBP	BOE Gov Bailey Speaks			
17-Jan-23	CNY	GDP q/y	2.9%	1.6%	3.9%
17-Jan-23	CAD	CPI m/m		-0.6%	0.1%
18-Jan-23	JPY	Monetary Policy Statement			
18-Jan-23	GBP	CPI y/y		10.5%	10.7%
18-Jan-23	USD	PPI m/m		-0.1%	0.3%
19-Jan-23	EUR	ECB President Lagarde Speaks			
19-Jan-23	USD	Unemployment Claims		212K	205K
19-Jan-23	USD	FOMC Member Brainard Speaks			

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	4.64	4.24	3.63	3.54	3.66
Germany	2.63	2.55	2.18	2.17	2.04
United Kingdom	3.53	3.46	3.30	3.38	3.72
Japan	0.00	0.04	0.32	0.50	1.53

Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	84.57	(0.04)	Dow Jones	34,302.61	0.33
Brent	84.76	1.49	Nikkei 225	26,150.75	1.27
West Texas	79.29	1.88	S&P 500	3,999.09	0.40
Gold	1,910.57	(0.41)	KuwaitSE	7,206.91	1.30

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