

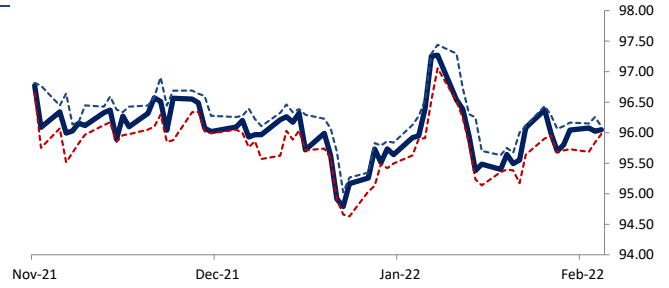
Kuwaiti Dinar Today

0.30240 / 0.30250

Highlights in the Foreign Exchange Market:

- Russia's latest move in recognizing and sending military to two separatist republics in eastern Ukraine assembled sanctions from the US, UK, and Germany. The US slammed on the sale of sovereign debt and the Russian elite while the UK targeted banks, and Germany halted certification of Nord Stream 2 pipeline project. Fright echoed in the markets as threats to rising prices on economic and supply chain recovery introduces a plot twist for central banks to consider in their monetary policy forecasts.
- Risk appetite was shaken by the recent geopolitical blow and stocks fussed before fainting in the red. In the meantime, US Treasuries entertained volatility as markets reassessed geopolitical developments accompanied by strong economic developments. The US 10-year yield rose to 1.94% and the 2-year yield rose to 1.58%. Consumer confidence in the US continued to sing disheartened and worrisome hums from tensions despite impressive manufacturing and services PMI figures. In Australia, the odds of an RBA hike in June lowered below 50% as wage growth came as expected. However, New Zealand raised the curtain with their third consecutive rate hike of 25bps and announcement of tapering starting July. Speculators await a highly anticipated BoE hearing in the UK later today to gather clues on the economic outlook and the next monetary policy act.
- The dollar remains the box office hit muting its peers' gains. Across the Atlantic, the euro managed to recover to 1.1320 as Europe pushes to de-escalate tensions. The sterling bowed right below 1.3600. In Asia, the yen lost its grip and slid back into 115. The aussie failed to attract excitement over wage price inflation and faded into 0.7230. The New Zealand kiwi traded at 0.6760 after receiving an applause after its rate hike and reached a five-week high.
- The fright spotlight glared in commodities. Oil prices unnerved above \$100 before calming down with rising hopes of successful Iranian nuclear talks. Gold eased and fell slightly below \$1,900 an ounce.

US Dollar Index
3-Month Performance



Brent Crude
3-Month Performance

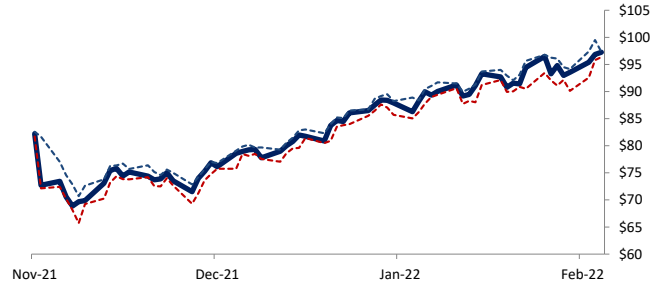


Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1215	1.1285	1.1324	1.1365	1.1430
GBP	1.3480	1.3535	1.3595	1.3640	1.3690
JPY	114.10	114.45	115.03	115.55	116.15
CHF	0.9105	0.9155	0.9204	0.9250	0.9305

Major Currencies

CCY	Closing Rate	YTD %	Major Crosses	CCY	Closing Rate	YTD %
EUR/USD	1.1325	(0.37)	EUR/GBP	0.8336	(0.82)	
GBP/USD	1.3582	0.47	GBP/JPY	156.33	0.70	
USD/JPY	115.0800	(0.03)	EUR/JPY	130.31	(0.02)	
USD/CHF	0.9214	0.92	EUR/CHF	1.0434	0.55	

Brief Technical Commentary

EUR/USD: The pair moved down to the 1.1286 level during Tuesday's trading session and currently trading at 1.1324. EUR/USD Resistance levels are at (1.1395-1.1430) any break above would take the pair up to 1.1495. Short term outlook is Bullish.

GBP/USD: The pair moved down to the 1.3535 level during Tuesday's trading session and currently trading at 1.3595 GBP/USD Resistance levels are at (1.3640-1.3690) any break above would take the pair up to 1.3795. Short term outlook is Bullish.

Local & Global Rates

CCY	O/N	1-Month	3-Month	6-Month	1-Year
KWD	0.88	1.25	1.50	1.75	2.06
USD	0.05	0.14	0.37	0.64	1.02
EUR	-0.58	-0.56	-0.53	-0.48	-0.33
GBP	0.44	0.50	0.75	1.04	1.40

Economic Events

Date	Country	Event	Actual	Forecast	Previous
21-Feb-22	EUR	German Flash Manufacturing PMI	58.5	59.6	59.8
21-Feb-22	EUR	German Flash Services PMI	56.6	53.2	52.2
21-Feb-22	GBP	Flash Manufacturing PMI	57.3	57.2	57.3
21-Feb-22	GBP	Flash Services PMI	60.8	55.6	54.1
22-Feb-22	USD	Flash Manufacturing PMI	57.5	56.2	55.5
22-Feb-22	USD	Flash Services PMI	56.7	53.2	51.2
23-Feb-22	AUD	Wage Price Index q/q	0.7%	0.7%	0.6%
23-Feb-22	GBP	Monetary Policy Report Hearings			
24-Feb-22	USD	Preliminary GDP q/q		7.1%	6.9%
25-Feb-22	USD	Core PCE Price Index m/m		0.5%	0.5%

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	1.15	1.56	1.87	1.94	2.24
Germany	-0.66	-0.43	-0.02	0.23	0.49
United Kingdom	1.12	1.31	1.35	1.46	1.54
Japan	-0.08	-0.03	0.02	0.19	0.86

Commodities

Index	Last Price	% Change	Global Indices	Index	Last Price	% Change
Kuwait Oil	96.12	(1.21)	Dow Jones	33,596.61	(1.42)	
Brent	96.79	(0.05)	Nikkei 225	26,449.61	(1.71)	
West Texas	92.35	1.24	S&P 500	4,304.76	(0.54)	
Gold	1,896.69	(0.13)	KuwaitSE	7,616.01	(0.23)	

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).