

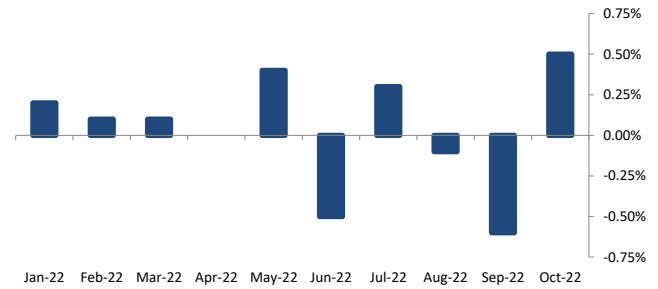
Kuwaiti Dinar Today

0.30675 / 0.30685

Key Market Highlights:

- Light finally shines on the UK economy after the release of October's GDP data. The UK's monthly real GDP grew by 0.5% in October, exceeding expectations of a 0.4% increase. It was a major boost after witnessing a decline of 0.6% in September. The largest contribution to this October growth was the services sector, as it grew by 6%, after falling by 0.8% in September. Growth in the services sector was mainly a result of wholesale and retail trade. Meanwhile, the production sector was flat, while construction output increased by 0.8%. Manufacturing, on the other hand, rose by 0.7%, mainly driven by an 8.4% increase in the manufacture of basic pharmaceutical products and pharmaceutical preparations, and a 2.3% increase in the manufacture of transport equipment.
- While there is reason for optimism following the release of the UK's month by month GDP, the economy shrunk by 0.3% in the three months leading to October, driven by falls in the manufacturing and services sector. Chancellor Jeremy Hunt has also stated that the UK is already in a recession, and that will be made official once GDP data for October to December is released. All in all, there is no sugar coating the fact that the UK economy is heading towards a recession in 2023.
- The generally positive risk tone is continuing to undermine the greenback, lending support to the euro and pound which are both up 1.3% and 1.8% respectively so far this month. The focus is on the US Federal Reserve meeting tomorrow, and the central bank is widely expected to hike interest rates by 50 bps.

UK GDP m/m
3-Month Performance



GBP/USD
3-Month Performance

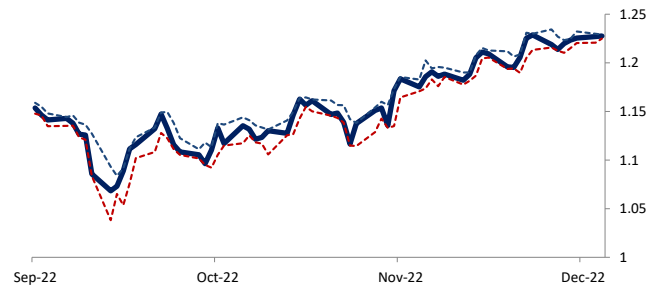


Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.0440	1.0490	1.0540	1.0590	1.0640
GBP	1.2150	1.2205	1.2260	1.2310	1.2360
JPY	136.30	137.10	137.75	138.40	138.90
CHF	0.9260	0.9320	0.9365	0.9415	0.9480

Major Currencies

CCY	Closing Rate	YTD %	Major Crosses	CCY	Closing Rate	YTD %
EUR/USD	1.0535	(7.20)	EUR/GBP	0.8586	2.25	
GBP/USD	1.2270	(9.22)	GBP/JPY	168.94	8.77	
USD/JPY	137.6600	9.55	EUR/JPY	145.04	11.35	
USD/CHF	0.9360	2.51	EUR/CHF	0.9862	(4.85)	

Brief Technical Commentary

EUR/USD: The pair is trading in a range between (1.0590-1.0490) and currently trading at (1.0540). A breakout above a (1.0590) will take us towards our resistance at (1.0640). We have our support levels at (1.0490-1.0440).

EUR/USD: The cable is trading in a range between (1.2310-1.2205) and currently trading at (1.2260) while it's showing weakness and an indication for a further move to the downside. A breakout below (1.2205) will take us towards our support at (1.2150). We have our resistance levels at (1.2310-1.2360).

Local & Global Rates

CCY	O/N	1-Month	3-Month	6-Month	1-Year
KWD	3.38	3.56	4.00	4.25	4.56
USD	3.80	4.32	4.51	4.74	4.87
EUR	1.42	1.61	2.01	2.47	2.86
GBP	2.93	3.43	3.67	4.02	4.36

Economic Events

Date	Country	Event	Actual	Forecast	Previous
12-Dec-22	GBP	GDP m/m	0.5%	0.4%	-0.6%
12-Dec-22	CAD	BOC Gov Macklem Speaks			
13-Dec-22	GBP	BOE Gov Bailey Speaks			
13-Dec-22	USD	CPI m/m		0.3%	0.4%
13-Dec-22	USD	CPI y/y		7.3%	7.7%
14-Dec-22	GBP	CPI y/y		10.9%	11.1%
14-Dec-22	USD	Federal Funds Rate		4.5%	4.0%
15-Dec-22	CHF	SNB Policy Rate		1.00%	0.5%
15-Dec-22	GBP	Official Bank Rate		3.5%	3.0%
15-Dec-22	USD	Retail Sales m/m		-0.2%	1.3%

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	4.62	4.37	3.78	3.60	3.57
Germany	2.29	2.17	1.98	1.95	1.65
United Kingdom	3.19	3.43	3.26	3.20	3.61
Japan	-0.10	-0.02	0.12	0.24	1.40

Commodities

Index	Last Price	% Change	Global Indices	Index	Last Price	% Change
Kuwait Oil	78.95	3.36	Dow Jones	34,005.04	1.58	
Brent	79.19	0.02	Nikkei 225	27,958.91	0.42	
West Texas	74.25	0.27	S&P 500	3,990.56	1.43	
Gold	1,785.56	0.24	KuwaitSE	7,411.60	(0.60)	

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).