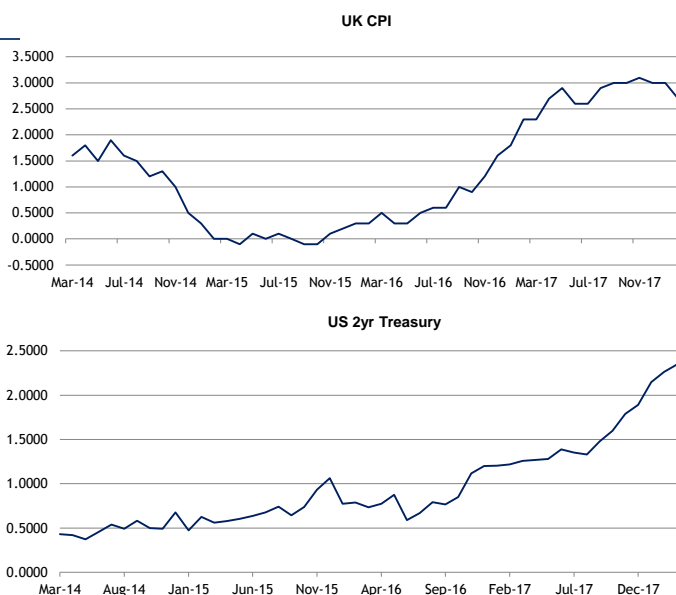


#### Highlights in the Foreign Exchange Market:

- Markets will be awaiting the FOMC to conclude their two day meeting today on monetary policy. Although they are widely expected to raise interest rates, markets will be paying close attention for signs of faster monetary tightening this year. Markets have been expecting a hawkish statement with polls projecting 4 hikes this year. The 2-year treasury yield jumped to 9 year high of 2.349% yesterday in anticipation. The US dollar index rebounded higher from yesterday's low to 90.258.
- President Donald Trump is set to announce the tariffs package against Chinese goods. The expectation is that the total amount of the targeted goods will be between USD 30-60Bn, with the general consensus leaning towards the greater number. It is worth noting that the tariffs won't take effect immediately. Businesses will be given a chance to comment on the list of the tariffed products and the final decision will come after their input.
- In the UK, Inflation fell to 2.7% this February down from January's 3%. The fall in sterling driven by Brexit, has pushed inflation for the last 18 months. This effect seems to be slowing down. The slowdown in inflation was helped by a small fall in petrol prices in addition to food pricing rising slower than last year. Inflation is going down faster than what the Bank of England has expected, this will potentially slow down the pace of any BoE rate hikes for 2018. The market will be eyeing wages as the numbers come later today, to see what impact they would have in relation to inflation.



#### Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.2160	1.2215	<b>1.2262</b>	1.2315	1.2365
GBP	1.3915	1.3965	<b>1.4014</b>	1.4070	1.4125
JPY	105.45	105.95	<b>106.46</b>	106.95	107.55
CHF	0.9455	0.9495	<b>0.9545</b>	0.9595	0.9640

#### Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.2240	2.30	EUR/GBP	0.8745	(1.43)
GBP/USD	1.3997	3.71	GBP/JPY	149.12	(1.98)
USD/JPY	106.53	(5.56)	EUR/JPY	130.41	(3.40)
USD/CHF	0.9563	(2.02)	EUR/CHF	1.1707	0.22

#### Brief Technical Commentary

EUR/USD: The pair moved down to the 1.2237 level during Tuesday's trading session and currently trading at 1.2262. EUR Resistance is at (1.2365-1.2385) any break above targets 1.2450 and Support is at (1.2160-1.2180) any break below targets 1.2095. The pair is currently Neutral.

USD/JPY: The pair moved up to the 106.60 level during Tuesday's trading session and currently trading at 106.46 USD/JPY Resistance is at (107.25-107.55) any break above targets 108.25 and Support is at (105.25-105.45) any break below targets 104.35. The pair is currently Neutral.

#### Economic Events

Date	Country	Event	Actual	Forecast	Previous
18-Mar-18	ALL	G20 Meetings			
20-Mar-18	GBP	CPI y/y	2.7%	2.8%	3.0%
21-Mar-18	USD	FOMC Statement & Rate			
21-Mar-18	GBP	Average Earnings Index 3m/y		2.6%	2.5%
21-Mar-18	USD	Crude Oil Inventories			5.0M
22-Mar-18	AUD	Unemployment Rate		5.5%	5.5%
22-Mar-18	GBP	Retail Sales m/m		0.4%	0.1%
22-Mar-18	GBP	BOE Statement & Rate			
23-Mar-18	CAD	CPI m/m		0.4%	0.7%
23-Mar-18	USD	Core Durable Goods Orders m/m		0.5%	-0.3%

#### Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	1.25	1.63	1.88	2.06	2.38
USD	1.68	1.84	2.22	2.39	2.63
EUR	-0.42	-0.41	-0.39	-0.33	-0.25
GBP	0.49	0.51	0.61	0.72	0.93
CHF	-0.80	-0.80	-0.74	-0.66	-0.53
AUD	1.72	2.30	2.14	2.19	2.15

#### Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	2.06	2.34	2.70	2.90	3.13
Germany	-0.70	-0.59	-0.03	0.58	1.21
United Kingdom	0.77	0.87	1.19	1.48	1.79
Japan	-0.16	-0.16	-0.12	0.03	0.75

#### Commodities

Index	Last Price	% Change	Index	Last Price	Change
Kuwait Oil	64.03	0.93	Dow Jones	24,727.27	116.36
Brent	65.24	(0.03)	Nikkei 225	21,380.97	(99.93)
West Texas	63.36	(0.03)	S&P 500	2,716.94	4.02
Gold	1,315.70	0.31	KuwaitSE	6,702.32	(3.37)

All information has been sourced from Reuters

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For further information or discussion, please contact the Treasury Services Desk on TSD\_LIST@NBK.COM or +965 2221 6603 (TELEX : 46811 - FAX +965 2241 9720).