

Highlights in the Foreign Exchange Market:

- Asian shares opened the week with a selloff, following the footsteps of the close of US equities. Nikkei index was down by 534 points, a 2.30% decrease during midmorning trade. US stocks also fell and the 10-year Treasury bond yield rose to its highest level in four years after Friday's strong labor market report and a round of weaker-than-expected earnings from several large companies.
- San Francisco Federal Reserve President John Williams said the rise in bond yields may be a "delayed reaction" to good economic news that he's been seeing for several months now, and said he sees overall financial conditions as still accommodative.
- The Chinese services sector started the year with the highest reading since May 2012 coming at 54.7, and higher than the forecasted 53.6. Economists are attributing the swell in services to better access to bank loans and the Chinese market being energetic before the Chinese New Year celebration in mid-February. It was also pushed by the government supporting the services sector in an attempt to reduce the reliance on heavy industry and exports, as we saw on Thursday when the manufacturing activity came below expectations at 51.3.
- On the commodities front, oil prices slipped by 1% reaching \$64.83 and \$67.90 per barrel for West Texas and Brent Crude respectively. On the other hand, gold prices remained stagnant around \$1,330.71 following a selloff in global equities.

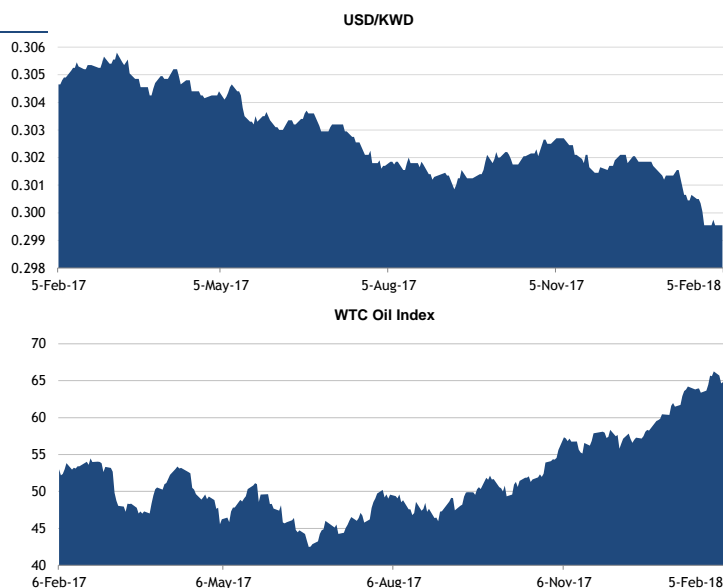


Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.2355	1.2410	1.2460	1.2510	1.2565
GBP	1.4020	1.4070	1.4120	1.4170	1.4230
JPY	108.95	109.45	109.97	110.55	110.95
CHF	0.9205	0.9255	0.9300	0.9355	0.9415

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.2460	3.80	EUR/GBP	0.8820	(0.73)
GBP/USD	1.4120	4.49	GBP/JPY	155.47	2.05
USD/JPY	110.10	(2.41)	EUR/JPY	137.23	1.28
USD/CHF	0.9310	(4.53)	EUR/CHF	1.1600	(0.87)

Major Crosses

Brief Technical Commentary

The EUR/USD pair moved up to the 1.2520 level during Friday's trading session and currently trading at 1.2460. EUR Resistance is at (1.2545-1.2565) any break above targets 1.2665 and Support is at (1.2355-1.2375) any break below targets 1.2210. The pair is currently Neutral.

The USD/JPY pair moved up to the 110.47 level during Friday's trading session and currently trading at 109.97. USD/JPY Resistance is at (110.95-111.25) any break above targets 112.20 and Support is at (108.95-109.15) any break below targets 108.35. The pair is currently Neutral.

Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	1.38	1.69	1.88	2.13	2.38
USD	1.47	1.58	1.79	1.99	2.29
EUR	-0.43	-0.41	-0.38	-0.34	-0.26
GBP	0.49	0.50	0.53	0.61	0.82
CHF	-0.81	-0.80	-0.75	-0.66	-0.53
AUD	1.77	1.95	1.94	2.01	2.00

Economic Events

Date	Country	Event	Actual	Forecast	Previous
5-Feb-18	CNY	Caixin Services PMI	54.7	53.6	53.9
5-Feb-18	GBP	Services PMI		54.1	54.2
5-Feb-18	USD	ISM Non-Manufacturing PMI		56.5	55.9
6-Feb-18	AUD	RBA Monetary Policy Meeting			
7-Feb-18	GBP	FOMCE Dudley Speakes			
8-Feb-18	CNY	Trade Balance		325B	362B
8-Feb-18	GBP	BOE Monetary Policy Meeting			
9-Feb-18	CNY	CPI y/y		1.5%	1.8%
9-Feb-18	CNY	PPI y/y		4.3%	4.9%
9-Feb-18	GBP	Manufacturing Production		0.3%	0.4%

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	1.87	2.15	2.60	2.86	3.11
Germany	-0.67	-0.57	0.01	0.76	1.40
United Kingdom	0.36	0.65	1.04	1.56	1.95
Japan	-0.15	-0.14	-0.09	0.08	0.81

Commodities

Index	Last Price	% Change	Index	Last Price	Change
Kuwait Oil	64.81	(2.13)	Dow Jones	25,520.96	(665.75)
Brent	67.13	(0.03)	Nikkei 225	22,743.82	(530.87)
West Texas	65.48	(0.06)	S&P 500	2,762.13	(59.85)
Gold	1,332.11	(0.07)	KuwaitSE	6,687.81	23.74

Global Indices

All information has been sourced from Reuters

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