

Highlights in the Foreign Exchange Market:

- In the UK, the MPC voted unanimously to keep interest rate at 0.5% and QE unchanged by consensus. Yet the tone of the language was perceived as hawkish by the market. The committee also raised the annual growth forecasts by 0.2% and 0.1% in 2019 and 2020 to be 1.8% in both years. This BoE's forecast is the first for many years where there is a clear story of inflation being driven above target by domestic price pressures and excess demand.
- In the Eurozone, at a near ten-and-a-half year high of 58.0 in January, the final IHS Markit Eurozone PMI Services Index signaled a marked increase in output and came in above the earlier flash estimate of 57.6. The upward revision in the headline index mainly reflected stronger contributions from Germany and (on average) those nations outside of the 'big-two'. The rate of expansion for Germany was the best since March 2011. Growth also improved in Italy and Spain (to 126 and six-month highs respectively), but eased in Ireland. Although the rate of expansion in France was slightly below that signaled by the earlier flash estimate, it was still faster than in December and one of the sharpest registered since mid-2011.
- On the political side in the US, President Donald Trump Signed a two year budget deficit-swelling deal, the bill for \$300bn spending puts the US on its way to a trillion-dollar deficit for the years to come. The spending bill signed on Friday morning ended the short government shutdown that started at Friday midnight, and ended months of political dispute in the US.

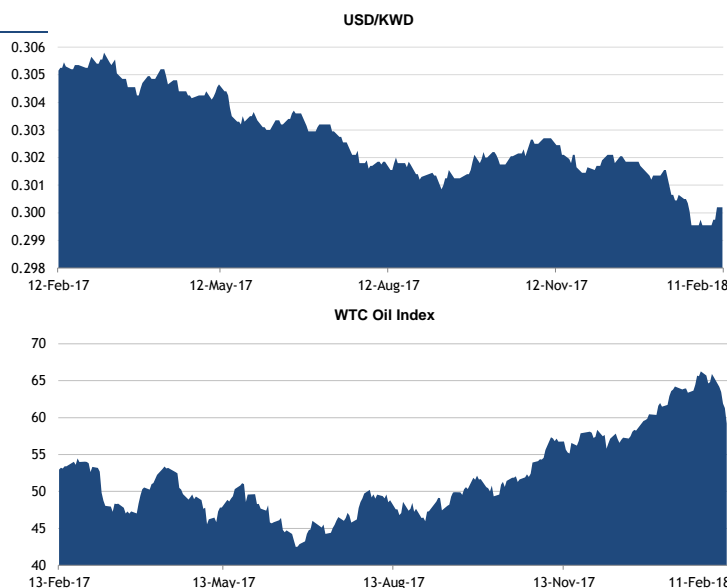


Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.2045	1.2145	1.2233	1.2345	1.2435
GBP	1.3625	1.3735	1.3835	1.3935	1.4045
JPY	106.80	107.75	108.78	109.85	110.85
CHF	0.9210	0.9305	0.9399	0.9495	0.9590

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.2233	1.98	EUR/GBP	0.8860	(0.26)
GBP/USD	1.3835	2.39	GBP/JPY	150.34	(1.16)
USD/JPY	108.78	(3.45)	EUR/JPY	133.30	(1.39)
USD/CHF	0.9399	(3.53)	EUR/CHF	1.1501	(1.61)

Major Crosses

Brief Technical Commentary

The EUR/USD pair moved up to the 1.2287 level during Friday's trading session and closed the week at 1.2233. EUR Resistance is at (1.2435-1.2465) any break above targets 1.2545 and Support is at (1.2045-1.2085) any break below targets 1.1915. The pair is currently Neutral.

The USD/JPY pair moved down to the 108.03 level during Friday's trading session and closed the week at 108.78. USD/JPY Resistance is at (110.85-111.25) any break above targets 112.90 and Support is at (106.80-107.20) any break below targets 105.75. 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	1.82	2.04	2.31
EUR	-0.43	-0.40	-0.38	-0.33	-0.25
GBP	0.48	0.50	0.54	0.64	0.85
CHF	-0.80	-0.80	-0.74	-0.66	-0.53
AUD	1.84	1.79	1.97	2.14	2.00

Economic Events

Date	Country	Event	Actual	Forecast	Previous
13-Feb-18	GBP	CPI y/y		2.9%	3.0%
13-Feb-18	GBP	PPI m/m		0.7%	0.1%
14-Feb-18	USD	CPI m/m		0.3%	0.1%
14-Feb-18	USD	Core CPI m/m		0.2%	0.3%
14-Feb-18	USD	Retail Sales m/m		0.5%	0.4%
15-Feb-18	AUD	Unemployment Rate		5.5%	5.5%
15-Feb-18	USD	PPI m/m		0.4%	-0.1%
16-Feb-18	GBP	Retail Sales m/m		0.6%	-1.5%
16-Feb-18	USD	Building Permits		1.31M	1.30M
16-Feb-18	USD	Housing Starts		1.23M	1.19M

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	1.88	2.07	2.54	2.85	3.16
Germany	-0.69	-0.59	-0.01	0.75	1.34
United Kingdom	0.38	0.67	1.04	1.56	1.94
Japan	-0.16	-0.16	-0.09	0.06	0.80

Commodities

Index	Last Price	% Change	Index	Last Price	Change
Kuwait Oil	60.01	(1.27)	Dow Jones	24,190.90	330.44
Brent	62.98	(0.03)	Nikkei 225	21,382.62	(508.24)
West Texas	59.18	(0.07)	S&P 500	2,619.55	38.55
Gold	1,317.03	(0.20)	KuwaitSE	6,687.81	23.74

Global Indices

All information has been sourced from Reuters

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