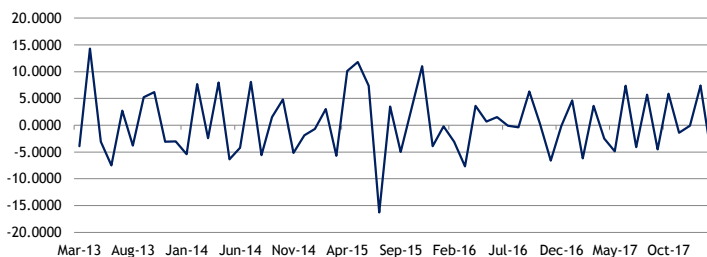


Highlights in the Foreign Exchange Market:

- As anticipated last week, the Swiss National Bank sustained its policy rates (sight deposit rate at -0.75% and 3-month Libor target range at -1.25%/-0.25%) that were implemented in early 2015. The slight surprise was that the SNB revised down its inflation estimates by 0.1% for 2018 and 0.2% for 2019, while maintaining its growth forecast of 2% for the current year. The modification of inflation projections is due to the appreciation of the CHF. As a result, the central bank described the franc as highly over valued and stressed once again the significance of negative rates and FX interventions to curb the currency's strength. They expect inflation to reach 2% in late 2020, thus policy rates may not tighten before 2019.
- Members of the Japanese central bank supported the idea of sticking with quantitative easing in meantime, especially with inflation still below its 2 percent target. The summary of the last rate review also indicated that one member said further yen strength and stock declines could curb capital expenditure and consumer spending, which could delay hitting the inflation target. Meanwhile, trade data in Japan indicated that exports and imports rose by 1.8% and 16.5% y/y, respectively. Looking deeper, the data showed that exports to the United States climbed by 4.3%. Recent talks about potential US tariffs add to the significance of this data.
- In the United States, building permits declined 5.7% last month. The figure is closely watched by market participants as a gauge of future construction activity because obtaining a permit is among the first steps in constructing a new building. The data showed a decline in both single-family as well as private-owned housing starts.

US Building Permits y/y



US Dollar index



Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.2145	1.2215	1.2265	1.2315	1.2365
GBP	1.3810	1.3865	1.3915	1.3965	1.4025
JPY	104.60	105.20	105.72	106.35	106.85
CHF	0.9435	0.9475	0.9534	0.9585	0.9635

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.2287	2.24	EUR/GBP	0.8815	(0.84)
GBP/USD	1.3939	3.06	GBP/JPY	147.77	(3.23)
USD/JPY	106.00	(6.19)	EUR/JPY	130.24	(4.08)
USD/CHF	0.9520	(2.13)	EUR/CHF	1.1699	0.04

Major Crosses

Brief Technical Commentary

EUR/USD: The pair moved down to the 1.2259 level during Friday's trading session and currently trading at 1.2265. EUR Resistance is at (1.2365-1.2415) any break above targets 1.2520 and Support is at (1.2095-1.2145) any break below targets 1.2020. The pair is currently Neutral.

USD/JPY: The pair moved down to the 105.59 level during Friday's trading session and currently trading at 105.72. USD/JPY Resistance is at (106.85-107.05) any break above targets 107.90 and Support is at (104.30-104.60) any break below targets 103.35. 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		2.8%	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	1.63	1.82	2.20	2.36	2.61
EUR	-0.42	-0.41	-0.38	-0.33	-0.25
GBP	0.49	0.50	0.61	0.71	0.92
CHF	-0.80	-0.81	-0.74	-0.66	-0.53
AUD	1.66	2.15	2.11	2.14	2.27

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	2.03	2.30	2.66	2.86	3.09
Germany	-0.72	-0.60	-0.04	0.57	1.22
United Kingdom	0.70	0.80	1.13	1.43	1.79
Japan	-0.16	-0.16	-0.12	0.03	0.75

Commodities

Index	Last Price	% Change	Index	Last Price	Change
Kuwait Oil	62.60	1.28	Dow Jones	24,946.51	72.85
Brent	64.32	(0.03)	Nikkei 225	21,480.90	(195.61)
West Texas	62.28	(0.03)	S&P 500	2,752.01	4.68
Gold	1,310.23	(0.27)	KuwaitSE	6,755.75	(1.75)

Global Indices

All information has been sourced from Reuters

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