

Highlights in the Foreign Exchange Market:

- Asian stocks climbed to the highest in a month and measures of volatility continued to decline amid optimism that global growth can weather any impact from trade tensions. Nikkei index edged up by 90 points during midmorning trade. Dow Jones recorded a negative change in yesterday's session led by Information Technology shares.
- In Europe, annual inflation rate was 1.3% in March and up from 1.1% in February. This is the second month in a row where inflation has been revised down between the flash and the final release. The recent trend in inflation supports the case for a dovish ECB and possible extensions in the QE program.
- The Sterling pound snapped its bullish momentum on Wednesday after UK's price growth disappointed to the downside. Inflation in Britain deflated from 2.7% to 2.5% for the month of March. The negative figure caused the cable to depreciated nearly 100 basis points versus the US dollar. The pair is currently trading at 1.4200. The pull back in inflation may not prevent the central bank from increasing interest rates in May with the market pricing 88% chance for hike.
- On the commodities side, gold rose 0.24% reaching \$1,352.18 per ounce. The general high in base metal prices is fueling concerns of inflationary pressures. The commodities market is fairly positive at the moment with oil prices climbing to a 3 year high. Aluminum reached its highest since 2011, and nickel jumped the most in 6.5 years.

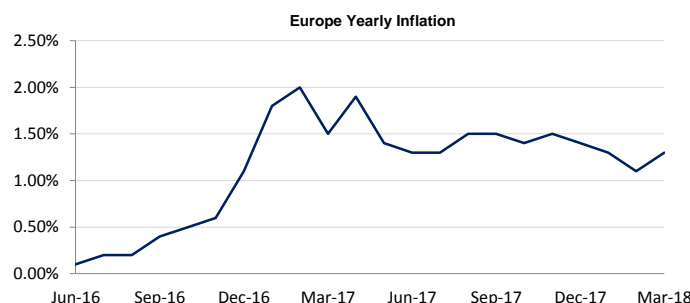
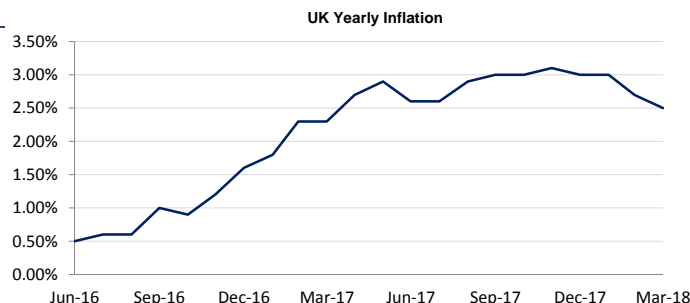


Chart Points and Other Technical Input

| CCY | 2nd Support | 1st Support | Spot | 1st Resistance | 2nd Resistance |
|-----|-------------|-------------|--------|----------------|----------------|
| EUR | 1.2275 | 1.2325 | 1.2377 | 1.2425 | 1.2480 |
| GBP | 1.4095 | 1.4150 | 1.4198 | 1.4255 | 1.4315 |
| JPY | 106.35 | 106.85 | 107.40 | 107.95 | 108.40 |
| CHF | 0.9580 | 0.9635 | 0.9684 | 0.9735 | 0.9785 |

Major Currencies

| CCY | Closing Rate | YTD % | CCY | Closing Rate | YTD % |
|---------|--------------|--------|---------|--------------|--------|
| EUR/USD | 1.2372 | 3.13 | EUR/GBP | 0.8712 | (1.96) |
| GBP/USD | 1.4201 | 5.10 | GBP/JPY | 152.28 | 0.33 |
| USD/JPY | 107.23 | (4.63) | EUR/JPY | 132.68 | (1.65) |
| USD/CHF | 0.9685 | (0.55) | EUR/CHF | 1.1985 | 2.56 |

Major Crosses

Brief Technical Commentary

EUR/USD: The pair moved up to the 1.2397 level during Wednesday's trading session and currently trading at 1.2377. EUR Resistance is at (1.2460-1.2480) any break above targets 1.2560 and Support is at (1.2275-1.2295) any break below targets 1.2215. The pair is currently Neutral.

USD/JPY: The pair moved up to the 107.38 level during Wednesday's trading session and currently trading at 107.40 USD/JPY Resistance is at (108.20-108.40) any break above targets 109.15 and Support is at (106.15-106.35) any break below targets 105.20. The pair is currently Neutral.

Local & Global Rates

| CCY | 1-Week | 1-Month | 3-Month | 6-Month | 1-Year |
|-----|--------|---------|---------|---------|--------|
| KWD | 1.25 | 1.75 | 2.00 | 2.19 | 2.44 |
| USD | 1.74 | 1.90 | 2.36 | 2.50 | 2.75 |
| EUR | -0.42 | -0.40 | -0.37 | -0.32 | -0.25 |
| GBP | 0.48 | 0.54 | 0.78 | 0.89 | 1.04 |
| CHF | -0.80 | -0.79 | -0.73 | -0.65 | -0.52 |
| AUD | 1.75 | 1.96 | 2.15 | 2.22 | 2.30 |

Economic Events

| Date | Country | Event | Actual | Forecast | Previous |
|-----------|---------|-----------------------------|--------|----------|----------|
| 16-Apr-18 | USD | Retail Sales m/m | 0.6% | 0.4% | -0.1% |
| 17-Apr-18 | CNY | GDP q/y | 6.8% | 6.8% | 6.8% |
| 17-Apr-18 | GBP | Average Earnings Index 3m/y | 2.8% | 3.0% | 2.8% |
| 17-Apr-18 | USD | Housing Starts | 1.32M | 1.27M | 1.24M |
| 18-Apr-18 | GBP | CPI y/y | 2.5% | 2.7% | 2.7% |
| 18-Apr-18 | EUR | Final CPI y/y | 1.3% | 1.4% | 1.4% |
| 18-Apr-18 | CAD | Overnight Rate | 1.25% | 1.25% | 1.25% |
| 19-Apr-18 | GBP | Retail Sales m/m | | -0.5% | 0.8% |
| 20-Apr-18 | JPY | National Core CPI y/y | | 0.9% | 1.0% |
| 20-Apr-18 | EUR | German PPI m/m | | 0.2% | -0.1% |

Government Yields

| Country | 1-Year | 2-Year | 5-Year | 10-Year | 30-Year |
|----------------|--------|--------|--------|---------|---------|
| United States | 2.13 | 2.43 | 2.73 | 2.87 | 3.05 |
| Germany | -0.71 | -0.57 | -0.07 | 0.53 | 1.19 |
| United Kingdom | 0.75 | 0.84 | 1.13 | 1.41 | 1.81 |
| Japan | -0.16 | -0.15 | -0.11 | 0.03 | 0.70 |

Commodities

| Index | Last Price | % Change | Index | Last Price | Change |
|------------|------------|----------|------------|------------|---------|
| Kuwait Oil | 69.57 | 1.68 | Dow Jones | 24,748.07 | (38.56) |
| Brent | 74.32 | (0.03) | Nikkei 225 | 22,243.86 | 85.66 |
| West Texas | 68.39 | (0.15) | S&P 500 | 2,708.64 | 2.25 |
| Gold | 1,351.38 | 0.18 | KuwaitSE | 4,804.07 | (2.34) |

All information has been sourced from Reuters

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