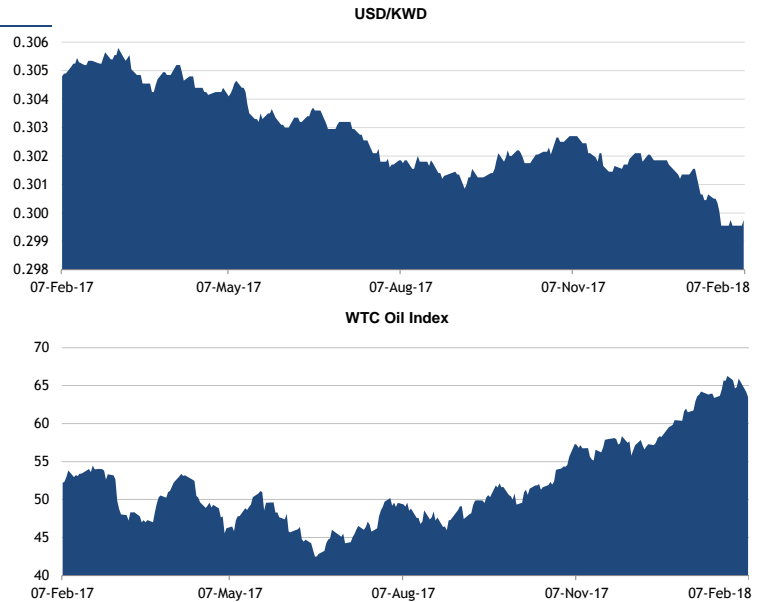


#### Highlights in the Foreign Exchange Market:

- US equity markets made a late rebound on Tuesday with volatility still elevated. The Nasdaq Composite gained 2.1% while Dow Jones Industrial Average closed up by 2.3%. The markets in Asia had a similar recovery as the Nikkei climbed 3.2% in midmorning trade. During the recovery, investors were still focusing on the VIX volatility index, the fear gauge of Wall Street that briefly reached its highest level since the 2015 Chinese currency devaluation.
- In the US, trade deficit widened reaching 53.1 Billion, its highest level since 2008. The driver to this increase was higher commodity prices in addition to higher domestic demand. Analysts are commenting on President Donald Trump's ability to rewrite the American trading relationship with the world as the trade deficit increased.
- The Reserve Bank of Australia decided to keep interest rates at 1.5%. "The low level of interest rates is continuing to support the Australian economy. Further progress in reducing unemployment and having inflation return to target is expected, although this progress is likely to be gradual." said Lowe, the governor of RBA. The Australian dollar was 0.1% lower against the greenback following the central bank's meeting.



#### Chart Points and Other Technical Input

| CCY | 2nd Support | 1st Support | Spot          | 1st Resistance | 2nd Resistance |
|-----|-------------|-------------|---------------|----------------|----------------|
| EUR | 1.2285      | 1.2335      | <b>1.2388</b> | 1.2440         | 1.2495         |
| GBP | 1.3835      | 1.3890      | <b>1.3965</b> | 1.4015         | 1.4055         |
| JPY | 108.25      | 108.75      | <b>109.24</b> | 109.75         | 110.25         |
| CHF | 0.9245      | 0.9290      | <b>0.9346</b> | 0.9395         | 0.9455         |

#### Major Currencies

| CCY     | Closing Rate | YTD %  | CCY     | Closing Rate | YTD %  |
|---------|--------------|--------|---------|--------------|--------|
| EUR/USD | 1.2376       | 3.25   | EUR/GBP | 0.8871       | (0.12) |
| GBP/USD | 1.3947       | 3.32   | GBP/JPY | 152.80       | 0.26   |
| USD/JPY | 109.55       | (3.05) | EUR/JPY | 135.58       | 0.07   |
| USD/CHF | 0.9358       | (4.06) | EUR/CHF | 1.1584       | (0.93) |

#### Major Crosses

#### Brief Technical Commentary

The EUR/USD pair moved down to the 1.2313 level during Tuesday's trading session and currently trading at 1.2388. EUR Resistance is at (1.2495-1.2535) any break above targets 1.2595 and Support is at (1.2265-1.2285) any break below targets 1.2175. The pair is currently Neutral.

The USD/JPY pair moved down to the 108.43 level during Tuesday's trading session and currently trading at 109.24. USD/JPY Resistance is at (110.25-110.45) any break above targets 111.20 and Support is at (108.25-108.45) any break below targets 107.30. The pair is currently Neutral.

#### Local & Global Rates

| CCY | 1-Week | 1-Month | 3-Month | 6-Month | 1-Year |
|-----|--------|---------|---------|---------|--------|
| KWD | 1.44   | 1.69    | 1.88    | 2.13    | 2.38   |
| USD | 1.47   | 1.58    | 1.79    | 1.99    | 2.28   |
| EUR | -0.43  | -0.41   | -0.38   | -0.33   | -0.26  |
| GBP | 0.49   | 0.49    | 0.52    | 0.61    | 0.81   |
| CHF | -0.80  | -0.80   | -0.75   | -0.66   | -0.53  |
| AUD | 1.82   | 1.83    | 1.99    | 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                | 53     | 54.1     | 54.2     |
| 5-Feb-18 | USD     | ISM Non-Manufacturing PMI   | 59.9   | 56.5     | 55.9     |
| 6-Feb-18 | AUD     | RBA Monetary Policy Meeting |        |          |          |
| 7-Feb-18 | GBP     | FOMCE Dudley Speaks         |        |          |          |
| 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  | 1.86   | 2.09   | 2.52   | 2.78    | 3.06    |
| Germany        | -0.67  | -0.57  | -0.04  | 0.69    | 1.34    |
| United Kingdom | 0.36   | 0.61   | 0.97   | 1.52    | 1.95    |
| Japan          | -0.15  | -0.15  | -0.09  | 0.07    | 0.81    |

#### Commodities

| Index      | Last Price | % Change | Index      | Last Price | Change |
|------------|------------|----------|------------|------------|--------|
| Kuwait Oil | 64.00      | 0.27     | Dow Jones  | 24,912.77  | 567.02 |
| Brent      | 66.43      | (0.03)   | Nikkei 225 | 21,827.83  | 211.98 |
| West Texas | 63.46      | (0.06)   | S&P 500    | 2,695.14   | 46.20  |
| Gold       | 1,329.51   | 0.33     | KuwaitSE   | 6,687.81   | 23.74  |

All information has been sourced from Reuters

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