

Highlights in the Foreign Exchange Market:

- The Japanese yen continues to soar today as demand for safe haven assets are on the rise due to market volatility. The greenback tumbled to 106.85 the lowest level since November 2016 versus the Japanese yen. The pair is currently trading at 107.20. As for US equities, all three main indices closed in positive territory on Tuesday. The S&P and Nasdaq gained 0.26% and 0.45% respectively.
- In Britain, the persistence of high CPI in Britain supports the case that inflation is unlikely to fall back quickly and make take several years before the BoE feels comfortable with the inflation levels. The latest readings on consumer and wage inflation reinforce the case for borrowing rates to head north in order to tame the overshoot in price growth. Markets expect a 70% probability of a quarter-point rise in interest rates by May, and a roughly 50% chance of a further increase in rates to 1% by year end. Annual CPI remained unchanged at 3% last month, while markets expected a slight decline towards 2.9%.
- On the Japanese front, the preliminary GDP reading came at 0.5% in annual terms for the fourth quarter of 2017, lower than the forecasted 0.9%. Quarter on quarter GDP rose 0.1%, slowing from the 0.3% increase in the third quarter. This indicates a slowdown in growth, however it is still the eighth consecutive quarterly expansion. The decline in momentum suggests that the economy is still some way from being self-sustaining, and will likely mean that monetary policy will remain on hold for a considerable period longer. In particular the latest fall back in the USDJPY will likely be seen as a burden to growth going forward, with global risk sentiment still looking fragile.

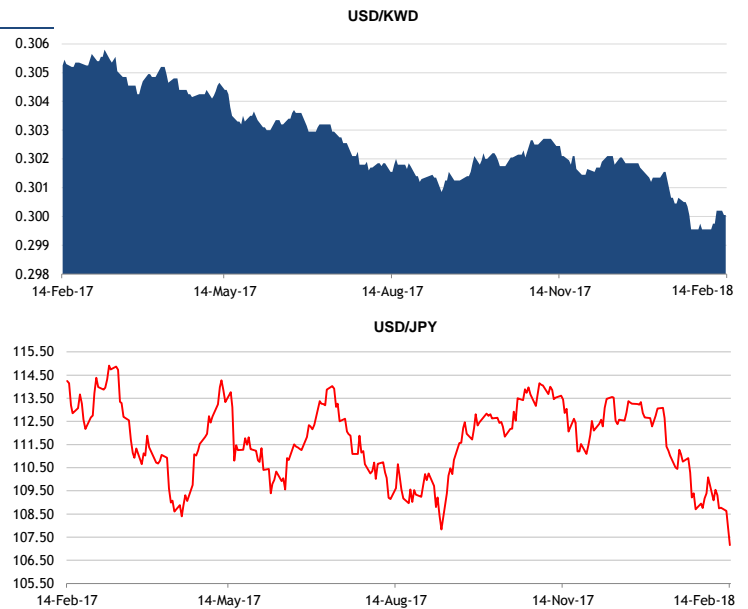


Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.2275	1.2325	1.2377	1.2430	1.2480
GBP	1.3795	1.3850	1.3900	1.3965	1.4010
JPY	106.15	106.65	107.15	107.65	108.15
CHF	0.9235	0.9280	0.9331	0.9380	0.9435

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.2350	3.15	EUR/GBP	0.8889	0.21
GBP/USD	1.3890	2.86	GBP/JPY	149.78	(2.06)
USD/JPY	107.82	(4.87)	EUR/JPY	133.17	(1.86)
USD/CHF	0.9346	(4.25)	EUR/CHF	1.1547	(1.23)

Brief Technical Commentary

The EUR/USD pair moved up to the 1.2371 level during Tuesday's trading session and currently trading at 1.2377. EUR Resistance is at (1.2460-1.2480) any break above targets 1.2540 and Support is at (1.2255-1.2275) any break below targets 1.2160 .The pair is currently Neutral.

The USD/JPY pair moved down to the 107.39 level during Tuesday's trading session and currently trading at 107.12 USD/JPY Support is at (105.95-106.15) any break below targets 105.25.The pair is currently Bearish .

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	1.59	1.84	2.06	2.33
EUR	-0.42	-0.40	-0.38	-0.33	-0.25
GBP	0.48	0.50	0.54	0.64	0.86
CHF	-0.81	-0.80	-0.75	-0.66	-0.53
AUD	1.70	1.90	2.07	2.15	2.00

Economic Events

Date	Country	Event	Actual	Forecast	Previous
13-Feb-18	GBP	CPI y/y	3.0%	2.9%	3.0%
13-Feb-18	GBP	PPI m/m	0.7%	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	1.93	2.10	2.53	2.81	3.10
Germany	-0.69	-0.59	-0.03	0.74	1.36
United Kingdom	0.41	0.68	1.10	1.61	1.99
Japan	-0.16	-0.16	-0.10	0.06	0.78

Commodities

Index	Last Price	% Change	Index	Last Price	Change
Kuwait Oil	59.08	0.25	Dow Jones	24,640.45	39.18
Brent	61.88	(0.03)	Nikkei 225	21,195.12	49.56
West Texas	59.31	(0.07)	S&P 500	2,662.94	6.94
Gold	1,334.78	0.39	KuwaitSE	6,698.74	28.43

All information has been sourced from Reuters

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