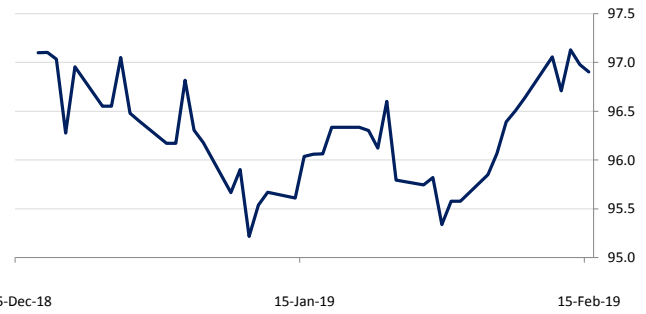


Highlights in the Foreign Exchange Market:

- The US dollar performed well in the FX market last week despite disappointing data from retail sales and consumer inflation. The dollar's positive trajectory is mainly due to optimism towards averting another government shutdown and weaknesses in global economic activities. President Trump is expected to sign the spending bill as his tone towards another government shutdown has dissipated. However, the President has stated that he plans to announce a national emergency to sidestep Congress and secure funds for his border wall.
- Sales statistics for the month of December disappointed market expectations after retail sales tumbled by the largest amount in nine years and core retail sales also plummeted by the biggest drop since 2001. On a monthly basis, retail sales fell -1.2% and -1.8% for the core figure. US retail sales accounts to around 65% of GDP and therefore the recent figure may pressure growth to come in much lower than previously anticipated.
- Looking at the euro, the currency has been under selling pressure over the past week largely driven by heightened concerns over the health of the euro-zone economy. The latest data flow has surprised significantly to the downside. The slowdown during the second half of last year seems to have prolonged into early this year.
- The euro-zone economy grew at a slower pace in the last quarter of 2018, pressured by static growth in Europe's largest economy, while Italy slipped into a recession. The 19 countries sharing the single currency expanded by 1.2% y/y in Q4 2018, down from 1.6% seen in the previous quarter. The German economy contracted in the third quarter by -0.2% and remained still in the last quarter at 0% growth.

US Dollar Index
2 Month Performance



US Retail Sales (%)
2 Year Performance

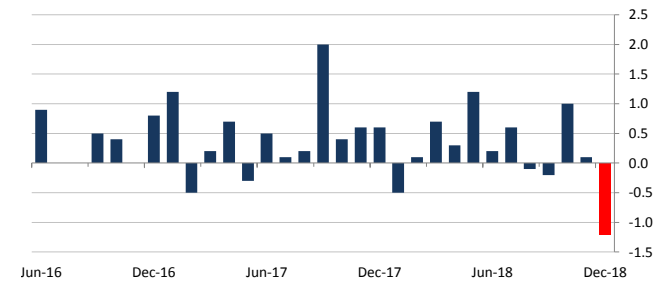


Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1115	1.1215	1.1293	1.1385	1.1490
GBP	1.2675	1.2775	1.2893	1.2990	1.3105
JPY	108.45	109.60	110.48	111.45	112.50
CHF	0.9865	0.9950	1.0050	1.0140	1.0240

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1293	(0.53)	EUR/GBP	0.8764	(2.54)
GBP/USD	1.2889	1.07	GBP/JPY	142.35	1.65
USD/JPY	110.48	0.20	EUR/JPY	124.74	(1.17)
USD/CHF	1.0050	2.40	EUR/CHF	1.1352	0.87

Major Crosses

Brief Technical Commentary

EUR/USD: The pair moved down to the 1.1231 level during Friday's trading session and closed the week at 1.1293. EUR/USD Support is at (1.1115-1.1215) any break below would take the pair to 1.1015. Short term outlook is slightly bullish however medium term outlook remains bearish.

GBP/USD: The pair moved down to the 1.2782 level during Friday's trading session and closed the week at 1.2893. GBP/USD Support is at (1.2675-1.2775) any break below would take the pair to 1.2580. Short term outlook is slightly bullish however medium term outlook remains bearish.

Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	record could n	record could n	record could n	record could n	record could n
USD	2.42	2.48	2.68	2.75	2.91
EUR	-0.45	-0.41	-0.34	-0.29	-0.17
GBP	0.70	0.73	0.87	0.99	1.12
CHF	-0.80	-0.78	-0.72	-0.65	-0.51
AUD	1.85	1.92	2.18	2.27	2.15

Economic Events

Date	Country	Event	Actual	Forecast	Previous
19-Feb-19	AUD	RBA Monetary Policy Minutes			
19-Feb-19	GBP	Average Earnings Index		3.5%	3.4%
19-Feb-19	GBP	Unemployment Rate		4.0%	4.0%
19-Feb-19	EUR	German ZEW Sentiment		-14.1	-15.0
20-Feb-19	USD	FOMC Meeting Minutes			
21-Feb-19	AUD	Unemployment Rate		5.0%	5.0%
21-Feb-19	EUR	ECB Monetary Policy Minutes			
21-Feb-19	USD	Core Durable Goods		0.2%	-0.4%
22-Feb-19	EUR	German Ifo Business Climate		99	99.1
22-Feb-19	EUR	ECB Gov Draghi Speaks			

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	2.53	2.52	2.49	2.66	2.99
Germany	-0.59	-0.57	-0.39	0.09	0.71
United Kingdom	0.73	0.72	0.81	1.16	1.68
Japan	-0.19	-0.18	-0.17	-0.03	0.59

Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	65.81	0.98	Dow Jones	25,883.25	1.74
Brent	66.04	(0.03)	Nikkei 225	20,900.63	(1.13)
West Texas	55.53	(0.18)	S&P 500	2,775.60	1.09
Gold	1,321.01	0.65	KuwaitSE	5,186.50	(0.67)

Global Indices

All information has been sourced from Reuters.

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