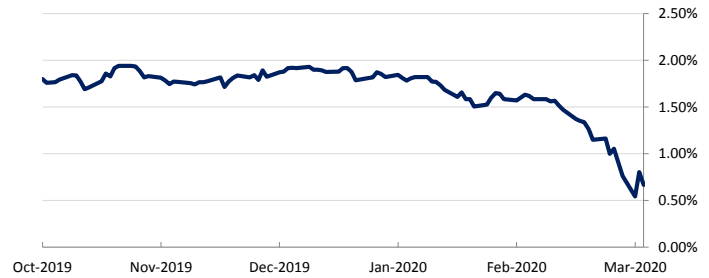


Highlights in the Foreign Exchange Market:

- Donald Trump has made a bid to Congress to cut payroll taxes until the end of the year. The suggestion comes as a part of a stimulus package that the administration is pushing in order to aid the virus-hit economy. Director of the White House, Larry Kudlow said that Trump the suggested tax cut will last beyond the November election. At a white House briefing later in the day, Kudlow said that the administration officials were still working out the details of the package, but payroll tax relief was “probably the most important, powerful piece of this” and would deliver “a big growth pay-off.”
- Asian equities opened today’s trading session in negative territory for the most part. The Nikkei index of Japan sank by 1.37% during midmorning trade, the index is trading at the low of December 2018. On Wall Street, shares traded in a volatile manner in yesterday’s trading session as investors sought details on the Trump’s administration care package for the coronavirus outbreak. The Dow Jones, S&P 500 and Nasdaq all closed the session with gains close to 5% on the day. Nevertheless, year to date performance of global equities remains in the red zone with most major indices posting double digit losses.
- The interest rate environment is currently on pressure by markets to lower US interest rates further. Fed Funds Futures show a 100% probability for a 50 basis point cut for the Fed’s next meeting which will be held on March 18th. The probability follows an emergency meeting and cut of 50 basis points last week. Yet market participants are pushing interest rates lower, with US entire yield curve below 1% except for the 30-year Treasury bond.

US 10-Year Treasury Yield 6-Month Performance



Dow Jones Index 6-Month Performance

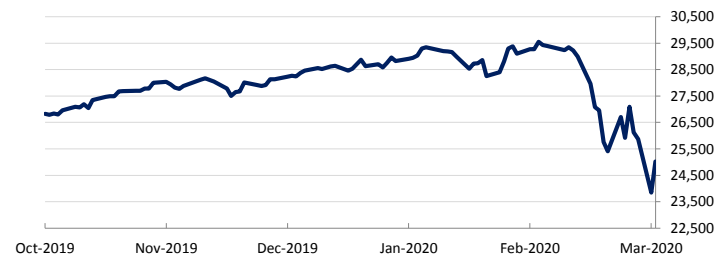


Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1135	1.1285	1.1336	1.1385	1.1445
GBP	1.2820	1.2870	1.2922	1.2975	1.3025
JPY	103.45	104.00	104.55	105.00	105.65
CHF	0.9255	0.9305	0.9356	0.9405	0.9455

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1281	-1.20	EUR/GBP	0.8740	-3.62
GBP/USD	1.2911	-2.48	GBP/JPY	136.41	-6.97
USD/JPY	105.64	-4.25	EUR/JPY	119.19	-3.00
USD/CHF	0.9400	-3.52	EUR/CHF	1.06	-2.46

Brief Technical Commentary

EUR/USD: The pair moved down to the 1.1273 level during Tuesday's trading session and currently trading at 1.1336. EUR/USD Resistance is at (1.1445-1.1465) any break above would take the pair up to 1.1515. Short term outlook is Bullish.

USD/JPY: The pair moved down up the 105.91 level during Tuesday's trading session and currently trading at 104.55. USD/JPY Supports are at (103.25-103.45) any break below would take the pair down to 101.60. Short term outlook is Bearish.

Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	0.00	2.25	2.50	2.75	3.00
USD	1.07	0.72	0.77	0.74	0.74
EUR	-0.56	-0.58	-0.53	-0.49	-0.44
GBP	0.57	0.50	0.47	0.49	0.57
CHF	-0.84	-0.92	-0.85	-0.81	-0.71
AUD	2.78	2.87	2.96	3.06	3.34

Economic Events

Date	Country	Event	Actual	Forecast	Previous
6-Mar-20	USD	Non-Farm Employment Change	273K	185K	225K
6-Mar-20	USD	Unemployment Rate	3.5%	3.5%	3.6%
10-Mar-20	CNY	CPI y/y	5.2%	5.2%	5.4%
11-Mar-20	GBP	GDP m/m		0.2%	0.3%
11-Mar-20	GBP	Manufacturing Production		0.2%	0.3%
11-Mar-20	USD	CPI m/m		0.0%	0.1%
11-Mar-20	USD	Core CPI m/m		0.2%	0.2%
11-Mar-20	USD	Crude Oil Inventories			0.8M
12-Mar-20	USD	Core PPI m/m		0.2%	0.5%
12-Mar-20	EUR	Monetary Policy Statement			

Government Yields

Country	2-Year	3-Year	5-Year	10-Year	30-Year
United States	0.43	0.48	0.54	0.66	1.15
Germany	-0.98	-1.00	-0.95	-0.80	-0.48
United Kingdom	0.12	0.15	0.16	0.23	0.56
Japan	-0.25	-0.25	-0.22	-0.08	0.29

Commodities

Index	Last Price	1D % Change	Index	Last Price	1D % Change
Kuwait Oil	35.88	1.30	Dow Jones	25,018.16	4.89
Brent	38.17	2.55	Nikkei 225	19,601.08	-1.34
West Texas	34.81	1.31	S&P 500	2,882.23	4.94
Gold	1,664.30	0.90	KuwaitSE	4,854.43	0.10

All information has been sourced from Bloomberg

This Treasury Newsletter Is a publication of the National Bank of Kuwait ("NBK"). Although the information in this document has been prepared in good faith and from sources which we believe to be reliable, we do not represent or warrant its accuracy and such information may not necessarily represent the actual market data. NBK accepts no liability whatsoever for any loss or damage arising from the use of this document or reliance on the information contained herein. NBK will not be responsible for the consequence of reliance upon any opinion or statement contained herein.

For further information or discussion, please contact the Treasury Services Desk on TSD_LIST@NBK.COM or +965 2221 6603 FAX +965 2241 9720.