

Highlights in the Foreign Exchange Market:

- In the US, congressional Republican and Democratic negotiators reached a tentative agreement that would allocate \$1.375 billion towards increasing barriers between the US and Mexico. Though the figure falls far below US president Trump's \$5.7 billion figure he initially fought for, fears eased regarding another partial government shutdown which was due to begin this upcoming Saturday. Looking forward, the deal still has to be written into legislation and receive Trump's approval before Friday night to avoid a potential shutdown. Meanwhile, US-China trade talks kicked off on Monday before the higher-level meetings scheduled later this week. On Tuesday, Trump claimed he's open to extending the March 1st deadline to raise tariffs on Chinese products if the two sides are near an agreement.
- Stocks gained on optimism as the S&P 500 registered its biggest one-day increase this month while the Dow Jones Industrial Average hit a 10-week high. The S&P 500 climbed 1.3% to 2,744.03, while both the Dow Jones and the Nasdaq Composite rose around 1.5%. In Asia, stocks ended higher mainly due to talks of an extension to the tariffs deadline set by the US. In Hong Kong, Tokyo's Topix was up 0.9% higher and China's CSI 300 rose 0.6%.
- Switching gears to commodities, oil prices rebounded from a two-week low on Tuesday as Saudi Arabia pledged to deepen production cuts. Saudi Energy Minister Khalid Al Falih told the Financial Times that the country would pump about 9.8 million barrels a day next month, lower than the limit it agreed to in December's OPEC agreement. Brent Crude rose around 2.6% to 63.09, and the West Texas Intermediate climbed 1.4% to 53.16.

S&P 500
2-Month Performance



Brent Crude
2-Month Performance



Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1235	1.1285	1.1338	1.1395	1.1445
GBP	1.2795	1.2845	1.2903	1.2960	1.3010
JPY	109.60	110.05	110.60	111.10	111.55
CHF	0.9950	0.9995	1.0055	1.0105	1.0155

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1324	(1.14)	EUR/GBP	0.8784	(2.28)
GBP/USD	1.2890	0.22	GBP/JPY	142.42	2.01
USD/JPY	110.48	0.32	EUR/JPY	125.12	(0.63)
USD/CHF	1.0063	2.41	EUR/CHF	1.1400	1.28

Major Crosses

Brief Technical Commentary

EUR/USD: The pair moved down to the 1.1254 level during Tuesday's trading session and currently trading at 1.1338 EUR/USD Support is at (1.1215-1.1235) any break below would take the pair to 1.1015. Short term outlook is slightly Bullish however the medium term outlook remains Bearish.

USD/JPY: The pair moved up to the 110.64 level during Tuesday's trading session and currently trading at 110.60. USD/JPY Resistance is at (111.10-111.55) any break above targets 112.10. Short term and medium term outlook are Bullish.

Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	2.00	2.38	2.63	2.88	3.06
USD	2.42	2.49	2.69	2.74	2.92
EUR	-0.45	-0.41	-0.33	-0.30	-0.18
GBP	0.70	0.73	0.87	1.00	1.13
CHF	-0.80	-0.78	-0.71	-0.65	-0.51
AUD	1.75	1.86	2.09	2.20	2.19

Economic Events

Date	Country	Event	Actual	Forecast	Previous
11-Feb-19	GBP	GDP m/m	-0.4%	0.0%	0.2%
12-Feb-19	USD	Fed Chair Powell Speaks			
12-Feb-19	GBP	BOE Gov Carney Speaks			
13-Feb-19	USD	CPI m/m		0.1%	-0.1%
13-Feb-19	GBP	CPI y/y		1.9%	2.1%
13-Feb-19	USD	Core CPI m/m		0.2%	0.2%
14-Feb-19	USD	Core Retail Sales m/m		0.0%	0.2%
14-Feb-19	USD	PPI m/m		0.1%	-0.2%
15-Feb-19	GBP	Retail Sales m/m		0.2%	-0.9%
15-Feb-19	CNY	CPI y/y			1.9%

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	2.53	2.51	2.50	2.69	3.03
Germany	-0.55	-0.58	-0.37	0.13	0.75
United Kingdom	0.73	0.72	0.83	1.18	1.69
Japan	-0.18	-0.17	-0.16	-0.02	0.61

Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	63.16	0.29	Dow Jones	25,425.76	1.49
Brent	62.97	(0.03)	Nikkei 225	21,168.00	1.46
West Texas	53.09	(0.19)	S&P 500	2,744.73	1.29
Gold	1,312.95	0.19	KuwaitSE	5,253.71	0.76

All information has been sourced from Reuters.

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