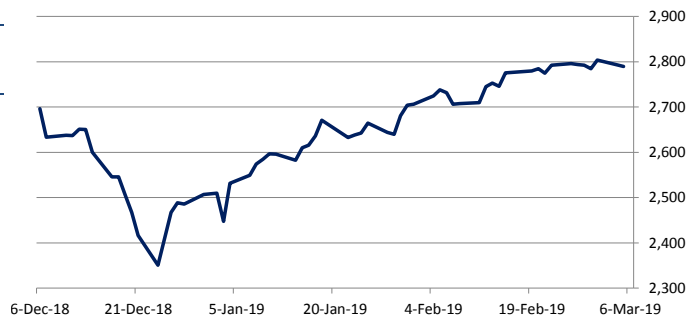


Highlights in the Foreign Exchange Market:

- China has set a lower GDP target for this year, pointing directly to the impact of the trade war with the US. On Tuesday, China's premier Li Keqiang announced that the country was lowering its economic growth forecast to 6-6.5%, down from a rigid target of 6.5% over the past two years. The lowered target arises after China posted disappointing growth of 6.6% for 2018 – the slowest growth in almost three decades. The country is currently locked in talks with Washington in an attempt to prevent an escalation of tariffs imposed by the US on \$250bn of Chinese goods, with a more positive tone in recent weeks.
- US stocks edged lower on Tuesday amid a lack of progress on the trade talks. The S&P 500 index was around 0.1% lower, seemingly stuck below the 2,800 level. Nonetheless, year to date the index is up 11.3%, mirroring the global market which has reportedly enjoyed its best start to a year in almost 3 decades. According to Barclays, the MSCI World index – consisting of around \$40tn of stocks listed in developed markets like the US, Europe, and Japan – has climbed about 11% so far in 2019, marking its best beginning to a year since 1991. Emerging markets have also enjoyed a strong recovery from December's tumult, rallying almost 9%. On the other end, the International Monetary Fund has reduced its predictions for global growth in 2019 by 0.2% to 3.5%.
- Shifting to Brexit, the economic impact of the UK leaving the bloc with no deal at the end of the month will create substantial harm according to BOE Governor Mark Carney. The central bank predicts that a disorderly Brexit would see GDP drop 8%, house prices fall 30%, unemployment rise to 7.5%, and inflation accelerating far beyond the BOE's 2% target. The BOE did announce it would put more buffers in place for the banking system to aid companies and consumers. The Sterling has been on a volatile journey since the 2016 vote, most recently down 1.3% for the past week. Year to date, the currency has recovered around 4.2% from last year's fourth quarter lows.

S&P 500
3 Month Performance



GBP/USD
3 Month Performance



Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1200	1.1250	1.1298	1.1355	1.1405
GBP	1.3035	1.3085	1.3138	1.3190	1.3245
JPY	110.70	111.25	111.76	112.25	112.80
CHF	0.9950	1.0000	1.0049	1.0100	1.0150

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1306	(1.52)	EUR/GBP	0.8580	(4.29)
GBP/USD	1.3175	2.95	GBP/JPY	147.43	4.86
USD/JPY	111.89	1.41	EUR/JPY	126.51	0.06
USD/CHF	1.0040	2.43	EUR/CHF	1.1357	0.92

Major Crosses

Brief Technical Commentary

EUR/USD: The pair moved down to the 1.1288 level during Tuesday's trading session and currently trading at 1.1298. EUR/USD Support is at (1.1200-1.1215) any break below would take the pair to 1.1130. Short term and medium term outlook are bearish.

GBP/USD: The pair moved down to the 1.3096 level during Tuesday's trading session and currently trading at 1.3138. GBP/USD Support is at (1.3035-1.3085) any break below would take the pair down to 1.2960. Short term and medium term outlook are bearish.

Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	2.06	2.44	2.69	2.88	3.13
USD	2.42	2.48	2.61	2.68	2.88
EUR	-0.45	-0.41	-0.34	-0.30	-0.16
GBP	0.70	0.73	0.85	0.98	1.14
CHF	-0.80	-0.78	-0.70	-0.64	-0.51
AUD	1.65	1.95	2.03	2.11	2.15

Economic Events

Date	Country	Event	Actual	Forecast	Previous
4-Mar-19	AUD	Building Approvals	2.5%	1.5%	-8.4%
5-Mar-19	AUD	RBA Rate Statement			
5-Mar-19	GBP	BOE Gov Carney Speaks			
6-Mar-19	AUD	GDP q/q	0.2%	0.5%	0.3%
6-Mar-19	CAD	BOC Rate Statement			
7-Mar-19	EUR	Main Refinancing Rate		0.00%	0.00%
8-Mar-19	CAD	Employment Change		0.3K	66.8K
8-Mar-19	USD	Average Hourly Earnings m/m		0.3%	0.1%
8-Mar-19	USD	Non-Farm Employment Change		181K	304K
8-Mar-19	USD	Unemployment Rate		3.9%	4.00%

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	2.54	2.53	2.51	2.70	3.07
Germany	-0.57	-0.52	-0.34	0.15	0.80
United Kingdom	0.78	0.78	0.99	1.28	1.77
Japan	-0.16	-0.15	-0.16	-0.01	0.62

Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	65.75	(0.53)	Dow Jones	25,806.63	(0.05)
Brent	63.68	(0.03)	Nikkei 225	21,597.98	(0.59)
West Texas	56.50	(0.18)	S&P 500	2,789.65	(0.11)
Gold	1,287.90	0.06	KuwaitSE	5,293.10	0.39

All information has been sourced from Reuters.

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