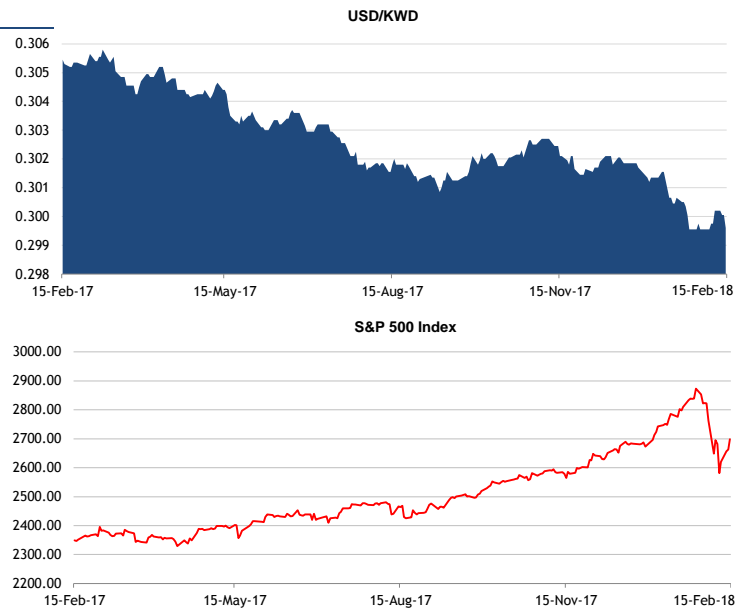


#### Highlights in the Foreign Exchange Market:

- The three main US equity indices ended Wednesday's session in the green zone despite descent rises in the two and ten-year Treasury yields. Yields found support after US inflation readings came above expectation, the 10-year Treasury yield was elevated to 2.92%, the highest since January 2014, and slightly above the levels that sparked a stock-market sell-off earlier in the month. So it seems equity markets were not worried about the higher inflation as the annual readings remained constant.
- Looking at the details of US inflation data, consumer prices rose 0.5% against the projected 0.3%, with the core figure coming at 0.3% versus the forecasted 0.2%. This is the biggest gain in more than a year for the core figure, and it validates the Fed's forecast for stronger inflation. The Fed has been saying that the central bank should stick with gradual rate hikes, but markets are beginning to bet that the Fed will have to add a fourth rate hike at the end of the year if the inflation theme remains. New policies including the tax cuts approved last year and the increased government spending do support further inflationary pressures.
- As for the currency market, the US dollar was once again in negative territory versus a basket of currencies and especially against the Japanese yen. The Dollar index is currently down by 0.3%, after suffering a depreciation of 0.7% overnight during a choppy session that saw the release of consumer price inflation and negative retail sales data. The Sterling and the single currency didn't hesitate to take advantage of the Dollar's weakness.



#### Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.2355	1.2405	<b>1.2455</b>	1.2500	1.2555
GBP	1.3890	1.3950	<b>1.4011</b>	1.4065	1.4110
JPY	105.55	105.95	<b>106.55</b>	107.10	107.60
CHF	0.9180	0.9230	<b>0.9280</b>	0.9330	0.9380

#### Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.2448	3.88	EUR/GBP	0.8894	0.12
GBP/USD	1.3996	3.69	GBP/JPY	149.78	(1.93)
USD/JPY	107.00	(5.51)	EUR/JPY	133.22	(1.82)
USD/CHF	0.9289	(4.81)	EUR/CHF	1.1568	(1.10)

#### Major Crosses

#### Brief Technical Commentary

The EUR/USD pair moved up to the 1.2465 level during Wednesday's trading session and currently trading at 1.2455. EUR Resistance is at (1.2535-1.2555) any break above targets 1.2650 and Support is at (1.2325-1.2355) any break below targets 1.2200 .The pair is currently Neutral.

The USD/JPY pair moved down to the 106.70 level during Wednesday's trading session and currently trading at 106.52 USD/JPY Support is at (105.25-105.55) any break below targets 104.35.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	1.85	2.06	2.34
EUR	-0.43	-0.40	-0.38	-0.33	-0.25
GBP	0.48	0.49	0.54	0.64	0.86
CHF	-0.81	-0.80	-0.75	-0.66	-0.53
AUD	1.79	1.88	2.06	2.14	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	0.5%	0.3%	0.1%
14-Feb-18	USD	Core CPI m/m	0.3%	0.2%	0.3%
14-Feb-18	USD	Retail Sales m/m	-0.3%	0.5%	0.4%
15-Feb-18	AUD	Unemployment Rate	5.5%	5.5%	5.6%
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	1.97	2.18	2.66	2.91	3.16
Germany	-0.66	-0.51	0.11	0.76	1.40
United Kingdom	0.42	0.69	1.10	1.65	2.03
Japan	-0.16	-0.16	-0.10	0.06	0.78

#### Commodities

Index	Last Price	% Change	Index	Last Price	Change
Kuwait Oil	61.66	4.72	Dow Jones	24,893.49	253.04
Brent	61.88	(0.03)	Nikkei 225	21,456.75	302.58
West Texas	60.68	(0.07)	S&P 500	2,698.63	35.69
Gold	1,354.47	0.27	KuwaitSE	6,764.93	(12.45)

All information has been sourced from Reuters

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