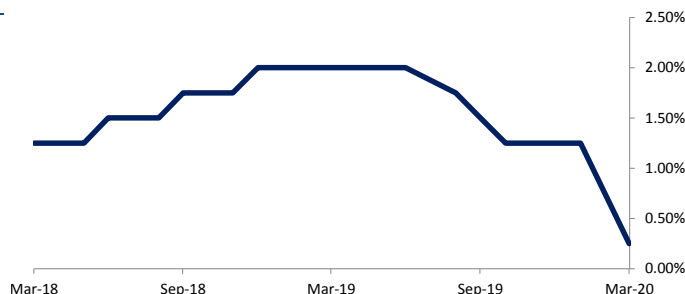


Highlights in the Foreign Exchange Market:

- The US Federal Reserve announced yesterday it would drop interest rates to zero and buy at least \$700 billion in government and mortgage-related bonds to help protect the economy from the impact of the coronavirus outbreak. The benchmark US interest rate now lies in a range of 0-0.25 percent, down from the range of 1-1.25 percent. The Fed will also purchase \$700 billion more in bonds, the majority being US Treasury bonds while the rest are mortgage-backed securities aimed at stabilizing home loans. Chairman Jerome Powell said Fed leaders met on Sunday because they anticipate "significant effects" on the US economy in the coming months, including negative growth in the second quarter. Such heavy-handed central bank actions raise concerns that the economy is in worse shape than the majority expects as the latest move comes just two weeks after the Fed's initial emergency meeting.
- Oil is headed towards its biggest annual contraction in history. Demand was initially crushed by China's decision to shut down major parts of its economy amidst the coronavirus outbreak, and now faces a global demand crisis. Implementation of travel bans, cancelled vacations, and all-around disrupted supply chains have reduced demand for fuel drastically. The demand shock coincides with a major supply shock as Saudi Arabia and Russia are currently engaged in a price war to pump more crude. Prices have fallen around 50% so far this year with Brent crude registering a 33% plummet in March alone.

US Fed Funds Rate
2 Year Performance



Brent Crude
3-Month Performance

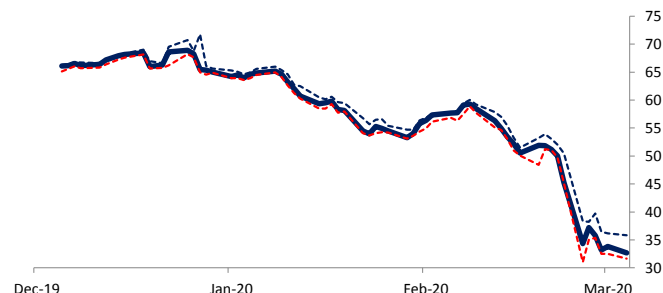


Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1000	1.1060	1.1116	1.1180	1.1250
GBP	1.2175	1.2250	1.2340	1.2440	1.2600
JPY	104.50	106.00	107.01	108.00	108.50
CHF	0.9380	0.9440	0.9498	0.9560	0.9600

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1105	(0.82)	EUR/GBP	0.9045	6.61
GBP/USD	1.2276	(6.98)	GBP/JPY	132.47	(8.92)
USD/JPY	107.9100	(2.18)	EUR/JPY	119.91	(2.91)
USD/CHF	0.9496	(1.93)	EUR/CHF	1.0559	(2.76)

Brief Technical Commentary

EUR/USD: EUR against the USD took a bullish trend after the FED cut interest rates again in less than two weeks to reach a new low. The 100 basis cut hiked EUR to 1.1200 as the financial system is in distress with volatility in all currencies.

GBP/USD: FED reserve made a new move in cutting interest rates to nearly nil, correcting most currencies bearish trend as GBP reached 1.2350 against the USD. UK PM Boris Johnson will hold daily conferences which as well create uncertainty and markets swings.

Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	2.00	2.25	2.50	2.75	3.00
USD	0.85	0.80	0.84	0.82	0.82
EUR	-0.55	-0.53	-0.43	-0.38	-0.30
GBP	0.21	0.28	0.51	0.61	0.71
CHF	-0.85	-0.85	-0.79	-0.75	-0.64
AUD	0.60	0.70	0.70	0.70	0.70

Economic Events

Date	Country	Event	Actual	Forecast	Previous
13-Mar-20	EUR	Main Refinancing Rate	0.00%	0.00%	0.00%
16-Mar-20	CNY	Industrial Production y/y	-13.5	-3.0%	6.9%
16-Mar-20	All	G7 Meetings			
17-Mar-20	AUD	Monetary Policy Meeting Minutes			
17-Mar-20	EUR	German ZEW Economic Sentiment		-25	8.7
17-Mar-20	USD	Retail Sales		0.2%	0.3%
18-Mar-20	CAD	CPI m/m			0.3%
18-Mar-20	USD	FOMC Statement			
18-Mar-20	USD	Federal Funds Rate		<0.75%	<1.25%
19-Mar-20	NZD	GDP q/q		0.5%	0.7%

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	0.11	0.27	0.43	0.67	1.26
Germany	-0.91	-0.91	-0.77	-0.55	-0.23
United Kingdom	0.35	0.27	0.31	0.41	0.85
Japan	-0.24	-0.20	-0.11	0.00	0.32

Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	33.69	(6.13)	Dow Jones	23,185.62	9.36
Brent	32.74	(3.28)	Nikkei 225	17,621.17	1.09
West Texas	31.10	(1.99)	S&P 500	2,711.02	9.29
Gold	1,541.56	0.80	KuwaitSE	4,636.06	(0.87)

All information has been sourced from Reuters.

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