

Highlights in the Foreign Exchange Market:

- Private sector employment in the US rose slightly below market expectations last month, suggesting employment growth in the world's largest economy could be slowing. Around 183,000 new jobs were added in February, just shy of the 189,000 estimate. The figure follows 300K new jobs in January which was the highest figure recorded in three years. Data also revealed that the US trade deficit increased last year to its highest level since 2008 at 12.5% to reach USD 621bn. Imports rose 7.5%, faster than exports which are up 3.6% to USD 2.5trn. The trade debacle between the US and China remain underway, with the latest data suggesting president Trump's goal of closing the trade deficit is highly ambitious.
- The Bank of Canada has left interest rates unchanged during yesterday's meeting at 1.75% and in line with market expectations. Policy makers dropped the assertion made in January that rates will need to rise over time, and instead indicated that the economy continued to require stimulus as there was "increased uncertainty" regarding the timing of future increases. The Canadian dollar depreciated following the dialing down of near-term hike prospects by the BoC and the USD/CAD pair rose 2.1% from last week, currently trading around the 1.3445 level.
- On a global level, the Organization for Economic Cooperation and Development downgraded almost every growth forecast for 20 nations as they battle weakness in the euro area and China, trade growth slowing sharply, and uncertainty regarding Brexit. Growth in Europe was downgraded to 1% from 1.8%, China's growth was lowered to 6% from 6.2%, and for the UK forecast was cut to 0.8% from 1.4%.

USD/CAD
3 Month Performance



US Trade Deficit
10 Year Performance

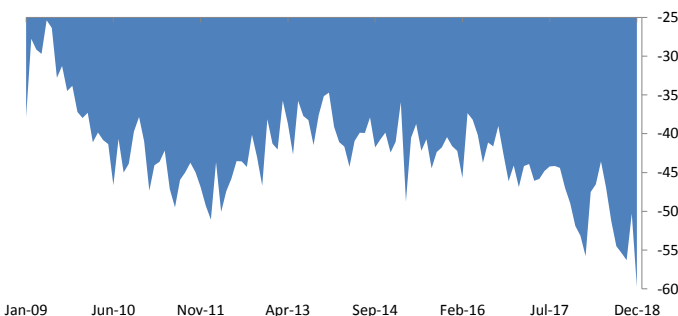


Chart Points and Other Technical Input

| CCY | 2nd Support | 1st Support | Spot | 1st Resistance | 2nd Resistance |
|-----|-------------|-------------|--------|----------------|----------------|
| EUR | 1.1215 | 1.1255 | 1.1305 | 1.1355 | 1.1405 |
| GBP | 1.3075 | 1.3125 | 1.3177 | 1.3235 | 1.3285 |
| JPY | 110.70 | 111.15 | 111.68 | 112.25 | 112.85 |
| CHF | 0.9940 | 0.9990 | 1.0039 | 1.0095 | 1.0145 |

Major Currencies

| CCY | Closing Rate | YTD % | CCY | Closing Rate | YTD % |
|---------|--------------|--------|---------|--------------|--------|
| EUR/USD | 1.1305 | (1.43) | EUR/GBP | 0.8583 | (4.52) |
| GBP/USD | 1.3169 | 3.30 | GBP/JPY | 147.18 | 5.13 |
| USD/JPY | 111.75 | 1.32 | EUR/JPY | 126.35 | 0.09 |
| USD/CHF | 1.0048 | 2.32 | EUR/CHF | 1.1364 | 0.89 |

Major Crosses

Brief Technical Commentary

EUR/USD: The pair moved down to the 1.1284 level during Wednesday's trading session and currently trading at 1.1305. EUR/USD Support is at (1.1215-1.1255) 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 1.3122 level during Wednesday's trading session and currently trading at 1.3177. GBP/USD Support is at (1.3075-1.3125) 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 | 2.41 | 2.49 | 2.59 | 2.69 | 2.89 |
| EUR | -0.45 | -0.41 | -0.33 | -0.30 | -0.17 |
| GBP | 0.70 | 0.73 | 0.84 | 0.98 | 1.13 |
| CHF | -0.80 | -0.78 | -0.70 | -0.65 | -0.51 |
| AUD | 1.78 | 2.06 | 2.06 | 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 | Overnight Rate | 1.75% | 1.75% | 1.75% |
| 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 | 2.53 | 2.51 | 2.49 | 2.69 | 3.07 |
| Germany | -0.58 | -0.54 | -0.35 | 0.12 | 0.77 |
| United Kingdom | 0.74 | 0.74 | 0.93 | 1.22 | 1.70 |
| Japan | -0.16 | -0.15 | -0.15 | -0.02 | 0.61 |

Commodities

| Index | Last Price | % Change | Index | Last Price | % Change |
|------------|------------|----------|------------|------------|----------|
| Kuwait Oil | 66.44 | 0.14 | Dow Jones | 25,673.46 | (0.52) |
| Brent | 63.95 | (0.03) | Nikkei 225 | 21,427.83 | (0.78) |
| West Texas | 56.17 | (0.18) | S&P 500 | 2,771.45 | (0.65) |
| Gold | 1,284.34 | (0.16) | KuwaitSE | 5,305.67 | 0.24 |

All information has been sourced from Reuters.

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