

Highlights in the Foreign Exchange Market:

- The Federal Reserve delivered the expected interest rate raise of 0.25%. What might have surprised investors however, is the hawkish tone of Jay Powell when he told everyone to prepare for a more aggressive monetary policy. In addition to the expected hikes this year, he announced projections for more hikes in 2019 and the year after. The Fed raised the target range for the federal funds rate to 1.5%-1.75%, predicting that inflation would accelerate in the coming months.
- Equity markets in the US eased yesterday following the Fed's meeting as investors assessed the implications of higher borrowing costs. In addition, the market is anticipating President Donald Trump to announce tariffs against China today. This has pushed down both the Dow Jones and S&P 500, causing them to close yesterday's trading session lower by 0.18%.
- In the UK, the latest snapshot of the labor market showed earnings growing at their fastest rate in more than two years. Total pay grew by 2.8% in the three months to January 2018 fueling the prospects for an interest rate hike in May or June.

Dow Jones Industrial Average



US Dollar index



Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.2250	1.2300	1.2351	1.2400	1.2450
GBP	1.4050	1.4105	1.4155	1.4210	1.4265
JPY	104.85	105.35	105.92	106.35	106.85
CHF	0.9385	0.9435	0.9485	0.9535	0.9585

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.2336	2.93	EUR/GBP	0.8724	(1.78)
GBP/USD	1.4139	4.68	GBP/JPY	149.94	(1.52)
USD/JPY	106.04	(6.00)	EUR/JPY	130.83	(3.28)
USD/CHF	0.9495	(2.65)	EUR/CHF	1.1715	0.20

Major Crosses

Brief Technical Commentary

EUR/USD: The pair moved up to the 1.2349 level during Wednesday's trading session and currently trading at 1.2351. EUR Resistance is at (1.2450-1.2475) any break above targets 1.2555 and Support is at (1.2230-1.2250) any break below targets 1.2150. The pair is currently Neutral.

USD/JPY: The pair moved down to the 105.86 level during Wednesday's trading session and currently trading at 105.92 USD/JPY Resistance is at (106.85-107.05) any break above targets 107.75 and Support is at (104.85-105.05) any break below targets 104.35. The pair is currently Neutral.

Economic Events

Date	Country	Event	Actual	Forecast	Previous
18-Mar-18	ALL	G20 Meetings			
20-Mar-18	GBP	CPI y/y	2.7%	2.8%	3.0%
21-Mar-18	USD	FOMC Statement & Rate	<1.75%	<1.75%	<1.50%
21-Mar-18	GBP	Average Earnings Index 3m/y	2.8%	2.6%	2.5%
21-Mar-18	USD	Crude Oil Inventories	-2.6M	2.6M	5.0M
22-Mar-18	AUD	Unemployment Rate	5.6%	5.5%	5.5%
22-Mar-18	GBP	Retail Sales m/m		0.4%	0.1%
22-Mar-18	GBP	BOE Statement & Rate			
23-Mar-18	CAD	CPI m/m		0.4%	0.7%
23-Mar-18	USD	Core Durable Goods Orders m/m		0.5%	-0.3%

Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	1.31	1.75	1.94	2.13	2.44
USD	1.71	1.85	2.25	2.41	2.65
EUR	-0.42	-0.41	-0.39	-0.33	-0.25
GBP	0.49	0.51	0.62	0.73	0.94
CHF	-0.80	-0.80	-0.74	-0.66	-0.53
AUD	1.63	2.15	2.15	2.16	2.15

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	2.03	2.30	2.67	2.87	3.10
Germany	-0.70	-0.59	-0.03	0.58	1.21
United Kingdom	0.79	0.92	1.25	1.53	1.80
Japan	-0.17	-0.16	-0.12	0.03	0.75

Commodities

Index	Last Price	% Change	Index	Last Price	Change
Kuwait Oil	65.94	2.01	Dow Jones	24,682.31	(44.96)
Brent	67.64	(0.03)	Nikkei 225	21,551.87	170.90
West Texas	65.09	(0.03)	S&P 500	2,711.93	(5.01)
Gold	1,329.33	(0.19)	KuwaitSE	6,682.34	(4.60)

All information has been sourced from Reuters

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