

#### Highlights in the Foreign Exchange Market:

- Prime Minister Theresa May has seen her Brexit deal rejected in the biggest Parliamentary defeat for a British government in 95 years. After two years of negotiations in Brussels, her proposed Brexit deal was rejected by the House of Commons by 432 votes to 202. May had previously postponed the vote before Christmas in hopes of winning over Parliament with new concessions from Brussels intended to ensure that the post-Brexit Irish border stays open. Diplomats now face a possible delay to the exit day beyond the scheduled March 29 departure.
- The Euro has been weighed down amidst political uncertainty surrounding Brexit and the trade war between the US and China. The burden continued with the confirmation of substantial slowdown in growth for Germany in 2018. The German economy grew by 1.5% in 2018, the weakest rate since 2013 according to the Federal Statistics Office. The figure follows growth of 2.2% in 2017, indicating a considerable slowdown for 2018. GDP had fallen 0.2% in the third quarter from the second, while fourth quarter figures are still due next month. The Euro has continuously dropped for the past five sessions and currently trading around the 1.1405 level.
- In an effort to stimulate the economy, authorities in China have announced more measures to help boost the struggling economy. China will cut value-added tax rates for selected industries and provide tax rebates for others in an effort to counteract the effect of the US China trade war. The announcement helped create a more positive outlook for the economy and global growth. US stocks reacted positively and revealed an upward trajectory. The S&P 500 has risen around 4% since the beginning of the year, while the Dow Jones Industrial Average followed rising 3.16% in the same period.

#### Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1300	1.1350	<b>1.1403</b>	1.1455	1.1505
GBP	1.2750	1.2800	<b>1.2853</b>	1.2905	1.2955
JPY	107.55	108.00	<b>108.49</b>	109.05	109.50
CHF	0.9775	0.9825	<b>0.9880</b>	0.9930	0.9985

#### Brief Technical Commentary

EUR/USD: The pair moved down to the 1.1378 level during Tuesday's trading session and currently trading at 1.1403. EUR/USD Support is at (1.1300-1.1350) any break below would take the pair to 1.1265. Short term and medium term outlook are Neutral.

USD/JPY: The pair moved up to the 108.76 level during Tuesday's trading session and currently trading at 108.49 USD/JPY Support is at (107.05-107.55) any break below targets 104.95. Short term and medium term outlook are Neutral.

#### Economic Events

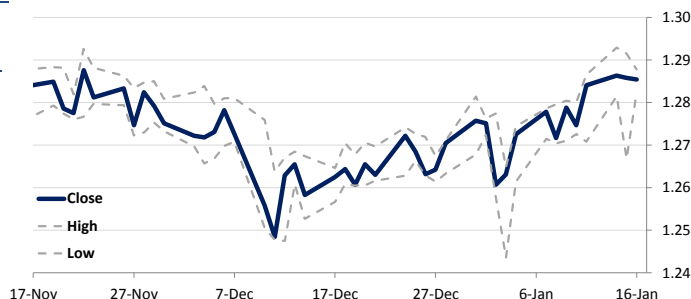
Date	Country	Event	Actual	Forecast	Previous
13-Jan-19	CNY	Trade Balance	395B	345B	306B
15-Jan-19	USD	PPI m/m	-0.2%	-0.1%	0.1%
15-Jan-19	EUR	ECB President Speaks			
15-Jan-19	GBP	Parliament Brexit Vote	Reject	Reject	
16-Jan-19	GBP	BOE Governor Speaks			
16-Jan-19	GBP	CPI y/y		2.1%	2.3%
16-Jan-19	All	G20 Meetings			
16-Jan-19	JPY	BOJ Governor Speaks		0.4%	-0.9%
18-Jan-19	GBP	Retail Sales m/m		-0.8%	1.4%
18-Jan-19	USD	Prelim UoM Consumer Sentiment		96.1	98.3

All information has been sourced from Reuters.

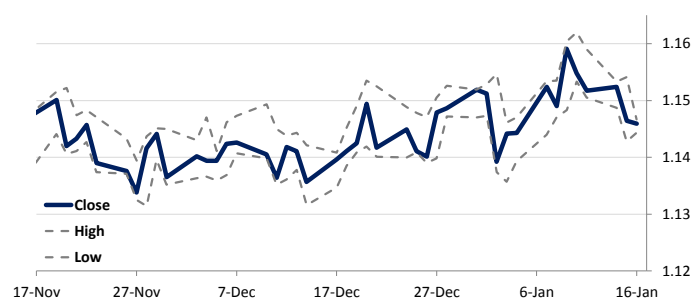
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GBP/USD  
2-Month Performance



EUR/USD  
2-Month Performance



#### Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1414	(0.55)	EUR/GBP	0.8873	(1.28)
GBP/USD	1.2858	0.78	GBP/JPY	139.73	(0.43)
USD/JPY	108.66	(1.64)	EUR/JPY	124.03	(2.00)
USD/CHF	0.9878	0.69	EUR/CHF	1.1270	0.17

#### Major Crosses

#### Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	1.88	2.25	2.50	2.75	3.00
USD	2.40	2.51	2.77	2.85	3.01
EUR	-0.45	-0.42	-0.33	-0.30	-0.18
GBP	0.70	0.73	0.93	1.04	1.19
CHF	-0.81	-0.78	-0.70	-0.64	-0.50
AUD	1.90	2.05	2.13	2.21	2.25

#### Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	2.56	2.53	2.53	2.71	3.07
Germany	-0.63	-0.63	-0.37	0.20	0.82
United Kingdom	0.77	0.78	0.91	1.25	1.77
Japan	-0.18	-0.17	-0.16	0.00	0.69

#### Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	59.73	1.37	Dow Jones	24,065.59	0.65
Brent	58.29	(0.03)	Nikkei 225	20,450.58	(0.51)
West Texas	51.75	(0.19)	S&P 500	2,610.30	1.07
Gold	1,292.00	0.21	KuwaitSE	5,234.51	0.13