

Highlights in the Foreign Exchange Market:

- The US dollar continued to be pressured last week as fears of a potential government shutdown mounted. Late Friday, politicians failed to agree on a last-minute deal to fund its operations. As such, the US government technically ran out of money and shut down its operations putting hundreds of thousands of "non-essential" federal workers on temporary unpaid leave. Democratic and Republican leaders did however, agree to reopen negotiations on Saturday and said were committed to getting a quick agreement.
- The British pound reached new highs last week after the Brexit negotiations passed a new hurdle. Theresa May's cabinet has agreed to increase the UK's financial offer to the European Union for the Brexit divorce bill to in an attempt to break the deadlock in negotiations. Media reports suggest the figure is in the region of 40 billion pounds. If accepted, the negotiations can focus on more pressing matters such as trade agreements.
- Euro zone inflation eased in line with expectations in December, according to a revision released by Eurostat. The European Union's statistics office said the consumer price index rose at an annual rate of 1.4% in December, down from 1.5% in November. The rates were in line with expectations but below the ECB target inflation rate of 2%, supporting the central bank's approach to gradually increasing interest rates. Investors will now be cautiously waiting for the ECB's next meeting this Thursday.

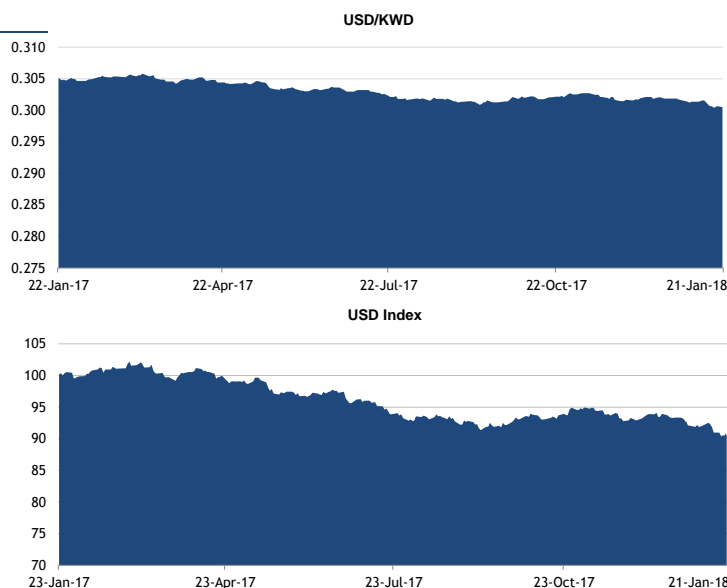


Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1995	1.2095	1.2220	1.2320	1.2420
GBP	1.3655	1.3750	1.3850	1.3945	1.4050
JPY	108.80	109.70	110.76	111.70	112.75
CHF	0.9420	0.9525	0.9625	0.9730	0.9825

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.2220	1.87	EUR/GBP	0.8818	(0.75)
GBP/USD	1.3849	2.55	GBP/JPY	153.54	0.94
USD/JPY	110.76	(1.70)	EUR/JPY	135.41	0.17
USD/CHF	0.9628	(1.18)	EUR/CHF	1.1769	0.68

Major Crosses

Brief Technical Commentary

EUR/USD: pair moved up to the 1.2295 level during Friday's trading session and closed the week at 1.2220. EUR Resistance is at (1.2390-1.2420) any break above targets 1.2535. The pair is currently Bullish.

USD/JPY: pair moved down to the 110.48 level during Friday's trading session and closed the week at 110.76. USD/JPY Resistance is at (112.75-113.15) any break above targets 114.30 and Support is at (108.80-109.20) any break below targets 107.80. The pair is currently Neutral.

Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	1.38	1.69	1.88	2.06	2.38
USD	1.47	1.56	1.74	1.93	2.23
EUR	-0.42	-0.40	-0.38	-0.33	-0.26
GBP	0.48	0.50	0.52	0.58	0.78
CHF	-0.81	-0.80	-0.74	-0.64	-0.53
AUD	1.80	1.75	1.95	2.05	2.00

Economic Events

Date	Country	Event	Actual	Forecast	Previous
23-Jan-18	JPY	BoJ Monetary Policy Statement			
23-Jan-18	EUR	German ZEW Economic Sentiment		17.8	17.4
24-Jan-18	EUR	Flash Manufacturing PMI		60.4	60.6
24-Jan-18	EUR	Flash Services PMI		56.5	56.6
24-Jan-18	ALL	World Economic Forum			
24-Jan-18	GBP	Average Hourly Earnings		2.5%	2.5%
25-Jan-18	EUR	ECB Monetary Policy Statement			
26-Jan-18	GBP	Preliminary GDP q/q		0.4%	0.4%
26-Jan-18	USD	Advance GDP q/q		2.3%	2.1%
26-Jan-18	USD	Durable Goods Orders		06%	-0.1%

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	1.77	2.06	2.45	2.66	2.93
Germany	-0.71	-0.61	-0.16	0.57	1.32
United Kingdom	0.40	0.56	0.85	1.34	1.84
Japan	-0.15	-0.15	-0.09	0.07	0.82

Commodities

Index	Last Price	% Change	Index	Last Price	Change
Kuwait Oil	65.80	0.02	Dow Jones	26,071.72	53.91
Brent	68.71	(0.03)	Nikkei 225	23,808.06	44.69
West Texas	63.33	(0.16)	S&P 500	2,810.30	12.27
Gold	1,332.18	0.32	KuwaitSE	6,611.66	8.36

Global Indices

All information has been sourced from Reuters

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For further information or discussion, please contact the Treasury Services Desk on TSD_LIST@NBK.COM or +965 2221 6603 (TELEX : 46811 - FAX +965 2241 9720).