

Highlights in the Foreign Exchange Market:

- US stock markets closed in the red zone on Tuesday after the Secretary of State Rex Tillerson was removed from office by President Trump and the possibility of additional import charges against China pulled equities down across sectors. The Nasdaq depreciated by 1.02% and ended Tuesday's session at 7,511.01. It was no surprise that Asian equity markets retreated today as positive correlation exists between US and Asian stock indices. Moreover, US tariffs on imports seem to be targeting China and therefore had a negative impact on Japanese corporations as trade between the two Asian countries is significantly large.
- Looking at US inflation, both headline and core consumer price growth accelerated by 0.2% on a monthly basis in February; in line with earlier projections. In annual terms, consumer inflation came in at 2.2% from 2.1% recorded in the previous reading, while the core data remained stagnant at 1.8%. The inflation data came after the latest jobs report, which showed wage growth remained subdued. Combining both wage and consumer inflation data together decreases the probability for US policy makers to speed up the pace of monetary tightening. For the core figure to pick up more significantly and raise the pace of overall inflation, wages need to accelerate. The main theme was that core inflation remained unchanged at 1.8% YoY.
- As for the US dollar, the green back suffered losses on Tuesday and the momentum persists today, weighed down by political turmoil in Washington. The dollar index lost 0.29% of its value yesterday and is currently down by 0.11% in today's trading session. The index is trading at 89.582.

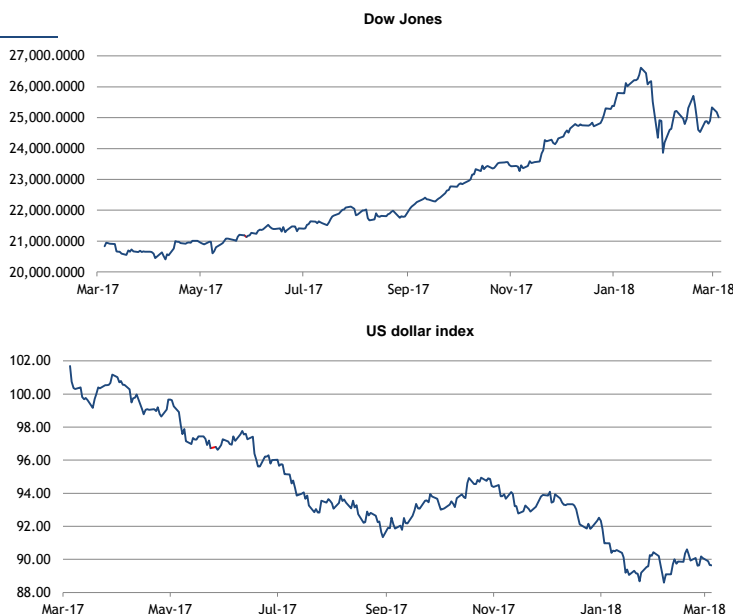


Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.2290	1.2355	1.2405	1.2450	1.2505
GBP	1.3875	1.3920	1.3987	1.4025	1.4085
JPY	105.45	105.95	106.52	107.00	107.55
CHF	0.9335	0.9380	0.9430	0.9480	0.9535

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.2389	3.33	EUR/GBP	0.8875	(0.14)
GBP/USD	1.3959	3.40	GBP/JPY	148.79	(2.15)
USD/JPY	106.56	(5.45)	EUR/JPY	132.03	(2.31)
USD/CHF	0.9438	(3.18)	EUR/CHF	1.1696	0.06

Major Crosses

Brief Technical Commentary

EUR/USD: The pair moved up to the 1.2407 level during Tuesday's trading session and currently trading at 1.2405. EUR Resistance is at (1.2485-1.2505) any break above targets 1.2550 and Support is at (1.2250-1.2290) any break below targets 1.2185. The pair is currently Neutral.

USD/JPY: The pair moved up to the 107.29 level during Tuesday's trading session and currently trading at 106.52 USD/JPY Resistance is at (107.55-107.85) any break above targets 108.55 and Support is at (105.25-105.45) any break below targets 104.65. The pair is currently Neutral.

Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	1.25	1.63	1.88	2.06	2.38
USD	1.49	1.78	2.12	2.30	2.58
EUR	-0.42	-0.41	-0.38	-0.33	-0.25
GBP	0.49	0.50	0.60	0.71	0.93
CHF	-0.80	-0.81	-0.74	-0.66	-0.53
AUD	1.47	2.34	2.10	2.17	2.00

Economic Events

Date	Country	Event	Actual	Forecast	Previous
13-Mar-18	USD	CPI m/m	0.2%	0.2%	0.5%
13-Mar-18	USD	Core CPI m/m	0.2%	0.2%	0.3%
14-Mar-18	CNY	Industrial Production y/y	7.2%	6.3%	6.2%
14-Mar-18	EUR	ECB President Draghi Speaks	-	-	-
14-Mar-18	USD	Retail Sales m/m	-	0.3%	-0.3%
14-Mar-18	USD	PPI m/m	-	0.1%	0.4%
15-Mar-18	CHF	Libor Rate	-	-0.75%	-0.75%
15-Mar-18	USD	Philly Fed Manufacturing Index	-	23.2	25.8
15-Mar-18	USD	Empire State Manufacturing Index	-	15.2	13.1
16-Mar-18	USD	Building Permits	-	1.33M	1.38M

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	1.91	2.25	2.61	2.83	3.08
Germany	-0.72	-0.59	-0.01	0.61	1.26
United Kingdom	0.73	0.83	1.16	1.48	1.88
Japan	-0.16	-0.15	-0.11	0.04	0.75

Commodities

Index	Last Price	% Change	Index	Last Price	Change
Kuwait Oil	60.97	(0.42)	Dow Jones	25,007.03	(171.58)
Brent	64.19	(0.03)	Nikkei 225	21,789.57	(178.53)
West Texas	60.68	(0.03)	S&P 500	2,765.31	(17.71)
Gold	1,326.44	0.02	KuwaitSE	6,721.31	(6.98)

All information has been sourced from Reuters

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