

Highlights in the Foreign Exchange Market:

- The Bank of Canada announced its decision to increase the benchmark interest rate from 1.00% to 1.25%. The decision comes after a run of strong economic data. Nevertheless, the central bank indicated it's in no rush to embark on an aggressive interest rate path as it cited future uncertainties including the fate of the North American Free Trade Agreement. The Canadian dollar managed to strengthen against the US dollar after the announcement, with the USDCAD pair slipping 0.8%.
- In Australia, the latest unemployment report indicated a slight uptick in the level of unemployment. December's number came in at 5.5% versus analysts' expectations of 5.4%. Nonetheless, the figure rounded off an impressive year for the Australian labour market, as 2017 was the first year since 1978 that employment rose every month. The Australian dollar experienced a period of volatility after the release of the report before falling slightly.
- Industrial production in the United States increased at the fastest pace since May. Cold weather during the end of December managed to boost demand for heating, while manufacturing output stayed flat. Meanwhile, the Fed also reported that the capacity utilization rate increased to 77.9%, above market expectations. The rate is a leading indicator of consumer inflation - when producers are nearing full capacity they respond by raising prices, and the higher costs are usually passed on to the consumer.

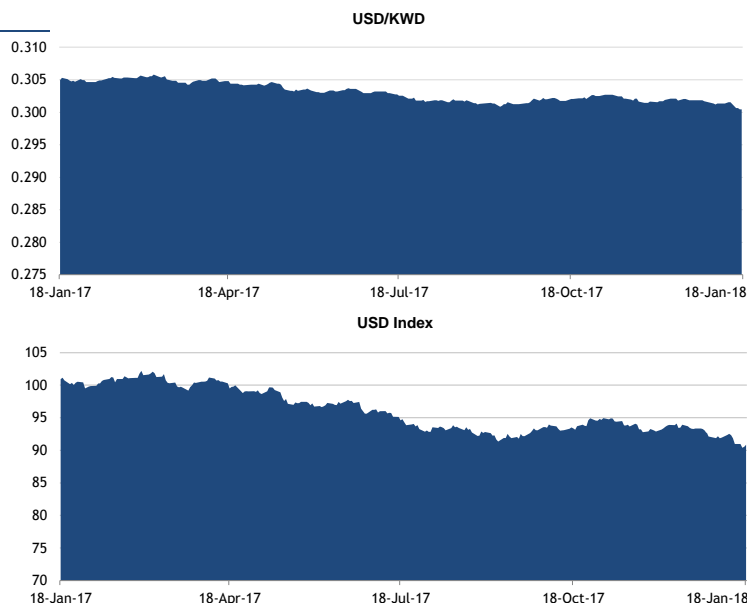


Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.2090	1.2140	1.2190	1.2240	1.2290
GBP	1.3715	1.3765	1.3817	1.3870	1.3920
JPY	110.35	110.85	111.34	111.85	112.35
CHF	0.9540	0.9590	0.9640	0.9690	0.9740

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.2184	1.72	EUR/GBP	0.8810	(0.69)
GBP/USD	1.3825	2.33	GBP/JPY	153.92	1.04
USD/JPY	111.28	(1.34)	EUR/JPY	135.60	0.33
USD/CHF	0.9654	(1.07)	EUR/CHF	1.1765	0.64

Major Crosses

Brief Technical Commentary

The EUR/USD pair moved up to the 1.2322 level during Wednesday's trading session and currently trading at 1.2191. EUR Resistance is at (1.2320-1.2360) any break above targets 1.2560. The pair is currently Bullish.

The USD/JPY pair moved down to the 110.18 level during Wednesday's trading session and currently trading at 111.34. USD/JPY Support is at (110.15-110.35) any break below targets 108.85. The pair is currently Bearish.

Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	1.38	1.69	1.88	2.13	2.38
USD	1.47	1.56	1.74	1.91	2.21
EUR	-0.42	-0.41	-0.38	-0.33	-0.26
GBP	0.49	0.50	0.52	0.58	0.77
CHF	-0.81	-0.80	-0.74	-0.64	-0.53
AUD	1.80	1.82	1.96	2.05	2.00

Economic Events

Date	Country	Event	Actual	Forecast	Previous
16-Jan-18	GBP	CPI y/y	3.0%	3.0%	3.1%
16-Jan-18	GBP	PPI m/m	0.1%	0.5%	1.8%
17-Jan-18	CAD	Overnight Rate	1.25%	1.25%	1.00%
18-Jan-18	AUD	Unemployment Rate	5.5%	5.4%	5.4%
18-Jan-18	CNY	GDP q/y		6.7%	6.8%
18-Jan-18	CNY	Industrial Production y/y		6.1%	6.1%
18-Jan-18	USD	Crude Oil Inventories			-4.9M
18-Jan-18	USD	Unemployment Claims		251K	261K
19-Jan-18	GBP	Retail Sales m/m		-0.8%	1.1%
19-Jan-18	CHF	PPI m/m		0.4%	0.6%

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	1.77	2.04	2.40	2.59	2.85
Germany	-0.68	-0.59	-0.14	0.57	1.29
United Kingdom	0.41	0.56	0.83	1.30	1.81
Japan	-0.14	-0.14	-0.08	0.07	0.83

Commodities

Index	Last Price	% Change	Index	Last Price	Change
Kuwait Oil	66.27	0.84	Dow Jones	26,115.65	322.79
Brent	69.23	(0.03)	Nikkei 225	23,823.58	(44.76)
West Texas	63.87	(0.16)	S&P 500	2,802.56	26.14
Gold	1,329.30	0.12	KuwaitSE	6,611.66	8.36

All information has been sourced from Reuters

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