

Highlights in the Foreign Exchange Market:

- US Treasury yields rose to a 3-year high after comments from an ECB official fueled expectations that central banks will move to cut stimulus as the economic outlook brightens. The Dutch central bank president, Klaas Knot, stated that "there is no reason whatsoever to continue the [asset purchases] program", and that the European Central Bank should shed more light on how it will end its asset purchases program after the current bond buying program ends in September.
- The rise in yields provided some support for a wounded dollar as it traded above 3-year lows reached last week. Even though the Federal Reserve is not expected to raise rates, traders are looking to the Fed meeting this week for fresh bullish signs. Meanwhile, the Asian equities backed off from their record highs, taking cue from Wall Street. US equities, which have steered the global equity rally, softened after an Apple selloff on Monday.
- Consumer spending in the United States surged in December as demand for goods and services improved. At the same time however, savings dropped to a level last seen in December 2007, at the time of the great recession. Recent stock market gains are being pointed to as the reason behind consumers' confidence to dip into savings, as household wealth continues to rise.

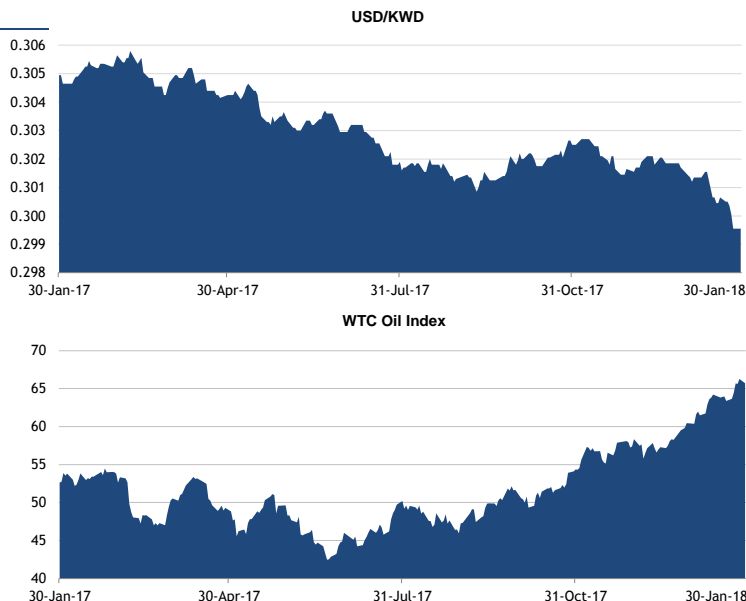


Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.2275	1.2335	1.2377	1.2435	1.2475
GBP	1.3940	1.3990	1.4040	1.4105	1.4160
JPY	107.75	108.25	108.70	109.20	109.75
CHF	0.9275	0.9325	0.9375	0.9425	0.9475

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.2381	3.10	EUR/GBP	0.8795	(0.88)
GBP/USD	1.4072	3.92	GBP/JPY	153.31	0.39
USD/JPY	108.95	(3.51)	EUR/JPY	134.91	(0.53)
USD/CHF	0.9373	(3.77)	EUR/CHF	1.1608	(0.77)

Major Crosses

Brief Technical Commentary

The EUR/USD pair moved down to the 1.2335 level during Monday's trading session and currently trading at 1.2377. EUR Resistance is at (1.2475-1.2495) any break above targets 1.2640 and Support is at (1.2275-1.2295) any break below targets 1.2180. The pair is currently Neutral.

The USD/JPY pair moved up to the 109.20 level during Friday's trading session and currently trading at 108.70. USD/JPY Resistance is at (109.75-109.95) any break above targets 110.95 and Support is at (107.75-108.05) any break below targets 106.90. 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	2.13	2.38
USD	1.47	1.57	1.77	1.97	2.26
EUR	-0.42	-0.41	-0.38	-0.34	-0.26
GBP	0.49	0.49	0.53	0.60	0.81
CHF	-0.81	-0.80	-0.74	-0.64	-0.53
AUD	1.71	1.75	1.93	2.08	2.00

Economic Events

Date	Country	Event	Actual	Forecast	Previous
30-Jan-18	USD	Core PCE Price Index m/m	0.2%	0.2%	0.1%
31-Jan-18	AUD	CPI q/q		0.7%	0.6%
31-Jan-18	USD	ADP Non-Farm Employment Change		191K	250K
31-Jan-18	CAD	GDP m/m			0.0%
31-Jan-18	USD	Federal Funds Rate		<1.50%	<1.50%
1-Feb-18	USD	ISM Manufacturing PMI		59.0	59.7
1-Feb-18	GBP	Manufacturing PMI		56.6	56.3
2-Feb-18	USD	Average Hourly Earnings m/m		0.3%	0.3%
2-Feb-18	USD	Non-Farm Employment Change		184K	148K
2-Feb-18	GBP	Construction PMI		52.1	52.2

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	1.79	2.12	2.50	2.71	2.96
Germany	-0.63	-0.54	-0.03	0.68	1.34
United Kingdom	0.38	0.62	0.98	1.46	1.89
Japan	-0.14	-0.13	-0.07	0.09	0.82

Commodities

Index	Last Price	% Change	Index	Last Price	Change
Kuwait Oil	65.86	(1.47)	Dow Jones	26,439.48	(177.23)
Brent	68.25	(0.03)	Nikkei 225	23,329.19	(300.15)
West Texas	65.63	(0.23)	S&P 500	2,853.53	(19.34)
Gold	1,336.21	(0.29)	KuwaitSE	6,672.95	43.72

All information has been sourced from Reuters

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