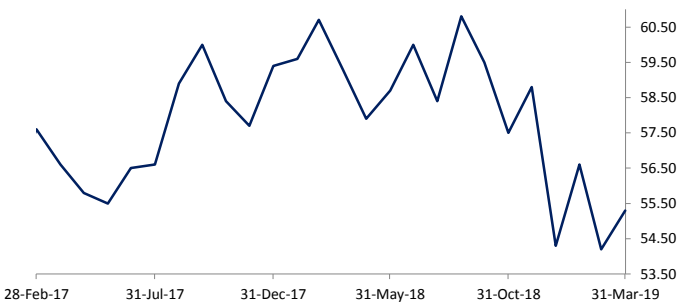


Highlights in the Foreign Exchange Market:

- US manufacturing saw a rebound in March up from its lowest level seen in more than two years. The ISM manufacturing PMI rose to 55.3 in March up from 54.2 in the previous month, when it hit the lowest level since November 2016. The sub-indices of the report also showed that the manufacturing sector was healthy as new orders, production and employment all rose. The positive data followed disappointing retail sales figures earlier this morning that showed the measure unexpectedly fell in February, raising further questions about a slowdown in the US economy. Headline retail sales fell 0.2% month to month in February, a decline from the revised increase of 0.7% in January. The decline in February was led by drops in grocery and building materials sales. The figures are the latest piece of data that suggest that the US economy may be heading towards a big slowdown in Q1 growth, the report is also expected to add to the Fed's determination to keep interest rates on hold for the time being.
- Gold prices slipped to a more than three-week low on Tuesday as fading global economic slowdown concerns lifted the dollar and equity markets. Strong manufacturing data from the United States and China triggered a sell-off in the US bond market which in-turn lifted Asian equities. This risk on attitude saw gold fall 0.8% to \$1288.26.
- The British pound plunged more than 1% yesterday as Britain's exit from the European Union remained deadlocked after parliament failed to agree on any alternative to Prime Minister Theresa May's divorce deal. Brexit minister Steven Barclay said after the results were announced that the default position was still that Britain would leave the EU on April 12 without a deal. Economists say that would be the worst case scenario for the markets.

ISM Manufacturing PMI
2 Year Performance



Sterling Pound
2 Month Performance



Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1090	1.1150	1.1202	1.1255	1.1305
GBP	1.2970	1.3015	1.3068	1.3115	1.3175
JPY	110.35	110.85	111.37	111.85	112.35
CHF	0.9880	0.9925	0.9987	1.0030	1.0085

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1212	(2.41)	EUR/GBP	0.8558	(4.47)
GBP/USD	1.3099	2.23	GBP/JPY	145.86	3.72
USD/JPY	111.3400	1.02	EUR/JPY	124.84	(1.21)
USD/CHF	0.9987	1.79	EUR/CHF	1.1197	(0.62)

Major Crosses

Brief Technical Commentary

EUR/USD: The pair moved down to the 1.1201 level during Monday's trading session and currently trading at 1.1202. EUR/USD Resistance is at (1.1255-1.1305) any break above would take the pair up to 1.1395 Short term outlook is Neutral, however a break under the 1.1170 will change the outlook to Bearish.

GBP/USD: The pair moved up to the 1.3150 level during Monday's trading session and currently trading at 1.3068 GBP/USD Support is at (1.2970-1.3015) any break below would take the pair down to 1.2760. Short term outlook is Neutral.

Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	2.06	2.44	2.69	2.88	3.13
USD	2.42	2.49	2.60	2.67	2.73
EUR	-0.45	-0.42	-0.34	-0.31	-0.19
GBP	0.69	0.73	0.84	0.95	1.06
CHF	-0.81	-0.79	-0.71	-0.65	-0.50
AUD	1.68	1.76	1.85	1.83	1.80

Economic Events

Date	Country	Event	Actual	Forecast	Previous
1-Apr-19	USD	Core Retail Sales m/m	-0.4%	0.4%	0.9%
1-Apr-19	USD	Retail Sales m/m	-0.2%	0.3%	0.2%
1-Apr-19	USD	ISM Manufacturing PMI	55.3		54.2
1-Apr-19	CAD	BOC Gov Poloz Speaks			
2-Apr-19	USD	Core Durable Goods Orders m/m		0.3%	-0.2%
3-Apr-19	GBP	Services PMI		51.0	51.3
3-Apr-19	USD	ISM Non-Manufacturing PMI			59.7
5-Apr-19	USD	Average Hourly Earnings m/m		0.2%	0.4%
5-Apr-19	USD	Non-Farm Employment Change		175K	20K
5-Apr-19	USD	Unemployment Rate		3.8%	3.8%

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	2.41	2.31	2.30	2.48	2.88
Germany	-0.60	-0.62	-0.46	-0.03	0.61
United Kingdom	0.64	0.63	0.76	1.02	1.57
Japan	-0.17	-0.16	-0.18	-0.07	0.52

Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	69.36	1.48	Dow Jones	26,258.42	1.27
Brent	69.67	(0.03)	Nikkei 225	21,505.31	(0.00)
West Texas	61.54	(0.16)	S&P 500	2,867.19	1.16
Gold	1,286.38	(0.08)	KuwaitSE	5,656.89	0.16

Global Indices

All information has been sourced from Reuters.

This Treasury Newsletter is a publication of the National Bank of Kuwait ("NBK"). Although the information in this document has been prepared in good faith and from sources which we believe to be reliable, we do not represent or warrant its accuracy and such information may not necessarily represent the actual market data. NBK accepts no liability whatsoever for any loss or damage arising from the use of this document or reliance on the information contained herein. NBK will not be responsible for the consequence of reliance upon any opinion or statement contained herein.

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).