

Highlights in the Foreign Exchange Market:

- The equity markets showed some strength after the drawback of last week, upping investors risk appetite. U.S. bond yields maintained their levels in anticipation on the consumer price data coming on Wednesday. The Euro on the other hand went up, as traders were buying on the view that the ECB will scale back on its stimulus later this year following the sturdy recovery in the Eurozone economy.
- A poll to the U.S. consumers showed that they expect to see the fastest wage growth in several years. Consumers polled expected earnings to rise 2.73% in 2018; this is the most since the data collection started in 2013. There have been three times in the survey's 56-month history where expected wage growth topped expected consumer price inflation.
- The U.S. budget deficit expanded in the first quarter of the fiscal year as spending growth continues to outpace revenues. The fiscal gap year on year increase between the first quarters of this year and last year was 11%, reaching \$175.7bn. Outlays rose by 5% to \$1.3tr, where the receipts increased by 4% to \$1.1tr.
- This week, investors will keep a close eye on inflation figures for further indications on the outlook on interest rates. Market analysts expect US headline consumer prices to rise 0.3%, and core inflation by 0.2%. In addition, UK CPI figures are expected to slow down to 2.9% with the core inflation expected to edge up to 2.6%. Additionally, traders will focus on the monthly retail sales data as an indication on the effect of the Brexit decision on the economy.

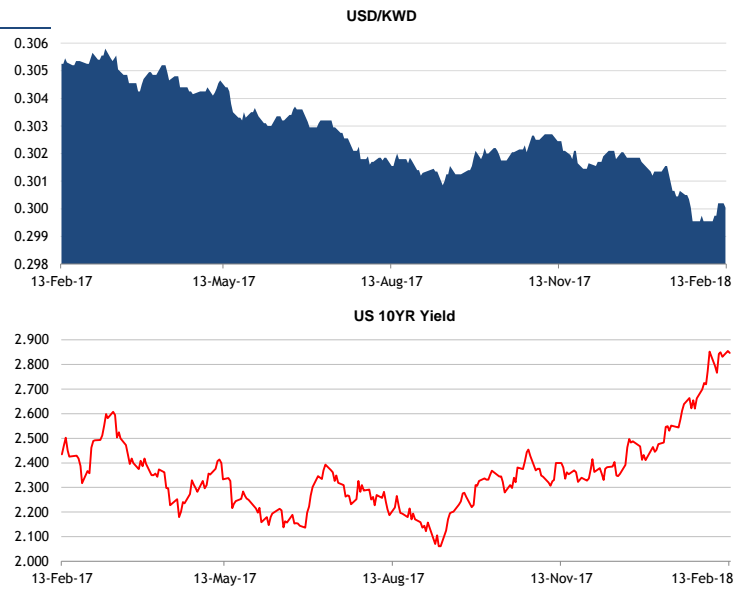


Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.2200	1.2250	1.2304	1.2355	1.2405
GBP	1.3755	1.3805	1.3853	1.3910	1.3965
JPY	107.25	107.75	108.30	108.75	109.25
CHF	0.9280	0.9325	0.9378	0.9430	0.9480

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.2291	2.66	EUR/GBP	0.8881	0.06
GBP/USD	1.3835	2.53	GBP/JPY	150.33	(1.43)
USD/JPY	108.64	(3.96)	EUR/JPY	133.54	(1.41)
USD/CHF	0.9390	(3.85)	EUR/CHF	1.1543	(1.29)

Brief Technical Commentary

The EUR/USD pair moved down to the 1.2233 level during Monday's trading session and currently trading at 1.2307. EUR Resistance is at (1.2385-1.2405) any break above targets 1.2520 and Support is at (1.2180-1.2200) any break below targets 1.2095. The pair is currently Neutral.

The USD/JPY pair moved up to the 108.94 level during Monday's trading session and currently trading at 108.30. USD/JPY Resistance is at (109.25-109.45) any break above targets 110.50 and Support is at (107.25-107.45) any break below targets 106.45. 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	1.58	1.82	2.04	2.31
EUR	-0.43	-0.40	-0.38	-0.33	-0.25
GBP	0.48	0.50	0.54	0.64	0.85
CHF	-0.80	-0.80	-0.74	-0.66	-0.53
AUD	1.93	1.98	2.13	2.21	2.00

Economic Events

Date	Country	Event	Actual	Forecast	Previous
13-Feb-18	GBP	CPI y/y		2.9%	3.0%
13-Feb-18	GBP	PPI m/m		0.7%	0.1%
14-Feb-18	USD	CPI m/m		0.3%	0.1%
14-Feb-18	USD	Core CPI m/m		0.2%	0.3%
14-Feb-18	USD	Retail Sales m/m		0.5%	0.4%
15-Feb-18	AUD	Unemployment Rate		5.5%	5.5%
15-Feb-18	USD	PPI m/m		0.4%	-0.1%
16-Feb-18	GBP	Retail Sales m/m		0.6%	-1.5%
16-Feb-18	USD	Building Permits		1.31M	1.30M
16-Feb-18	USD	Housing Starts		1.23M	1.19M

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	1.86	2.08	2.55	2.85	3.13
Germany	-0.70	-0.59	-0.02	0.75	1.35
United Kingdom	0.40	0.66	1.07	1.61	1.99
Japan	-0.16	-0.16	-0.09	0.06	0.79

Commodities

Index	Last Price	% Change	Index	Last Price	Change
Kuwait Oil	59.33	(1.00)	Dow Jones	24,601.27	410.37
Brent	62.14	(0.03)	Nikkei 225	21,382.62	(508.24)
West Texas	59.39	(0.07)	S&P 500	2,656.00	36.45
Gold	1,327.18	0.27	KuwaitSE	6,687.81	23.74

All information has been sourced from Reuters

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