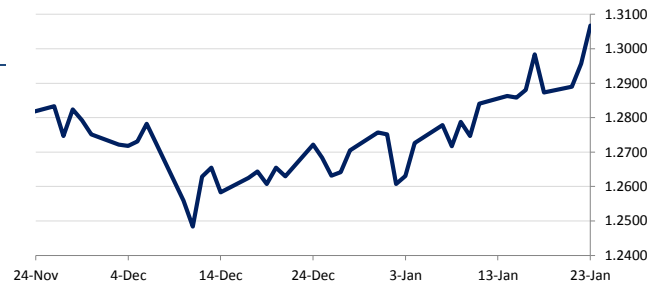


Highlights in the Foreign Exchange Market:

- The Bank of Japan cut its inflation forecasts yesterday while maintaining its massive stimulus program intact to support the economy. The forecast for core consumer inflation was cut to 0.9% in the coming fiscal year from 1.4%, reflecting the lower oil prices. This reinforces views that the bank will have to stick with its unprecedented economic policy for some time to come. Governor Haruhiko Kuroda also warned of growing risks to the economy from trade protectionism and slowing global demand. But despite rising risks such as trade disputes and Brexit, the central bank also maintained its view that Japan's economy will continue to expand at a modest pace.
- The British pound rose above 1.3000 after Britain's opposition Labour Party said it was "highly likely" to back an attempt by lawmakers to prevent a disorderly no-deal Brexit. Sterling is gaining as investors buy the currency, betting that a no-deal Brexit can be avoided if parliament exerts greater control over the process. However, with little time left until the March 29 Brexit deadline, there is still no agreement in London on how or even whether it should exit the European Union.
- The ECB will hold their next monetary policy meeting today but the focus will undoubtedly be on President Mario Draghi's press conference. The ECB is widely expected to announce no new changes to its policy. Hence, markets will be paying attention to Draghi's outlook on the economy and interest rates amid the recent weakness in German and Chinese data, and ongoing Brexit uncertainty.
- Oil prices retreated following a dip in US stock markets this week, on concerns about global economic weakness. Brent futures were down 1.7%, at \$60.43 a barrel while US WTI crude fell 1.9%, to \$52.02 per barrel.

GBP/USD
3 Month Performance



Brent Crude
3 Month Performance



Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1300	1.1350	1.1385	1.1430	1.1490
GBP	1.2970	1.3020	1.3072	1.3130	1.3175
JPY	108.70	109.30	109.52	110.00	110.50
CHF	0.9840	0.9890	0.9942	0.9990	1.0050

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1380	(0.77)	EUR/GBP	0.8705	(3.08)
GBP/USD	1.3067	2.47	GBP/JPY	143.22	2.30
USD/JPY	109.59	(0.63)	EUR/JPY	124.73	(1.37)
USD/CHF	0.9945	1.28	EUR/CHF	1.1319	0.58

Major Crosses

Brief Technical Commentary

EUR/USD: The pair moved up to the 1.1397 level during Asian trading session and currently trading at 1.1385. EUR/USD Resistance is at (1.1430-1.1490) any break above would take the pair to 1.1570. Short term outlook is Neutral.

GBP/USD: The pair moved up to the 1.3094 level during Asian trading session and currently trading at 1.3072. GBP/USD Resistance is at (1.3130-1.3175) any break above would take the pair to 1.3260. The pair is currently Bullish.

Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	1.94	2.31	2.56	2.81	3.06
USD	2.41	2.51	2.77	2.85	3.04
EUR	-0.45	-0.42	-0.32	-0.29	-0.17
GBP	0.70	0.73	0.92	1.04	1.17
CHF	-0.81	-0.78	-0.70	-0.64	-0.51
AUD	1.60	2.00	2.17	2.22	2.25

Economic Events

Date	Country	Event	Actual	Forecast	Previous
20-Jan-19	CNY	GDP q/y	6.4%	6.4%	6.5%
22-Jan-19	GBP	Average Earnings Index 3m/y	3.4%	3.3%	3.3%
22-Jan-19	NZD	CPI q/q	0.1%	0.0%	0.9%
22-Jan-19	JPY	BOJ Outlook Report			
22-Jan-19	JPY	Monetary Policy Statement			
23-Jan-19	CAD	Core Retail Sales m/m	-0.6%	-0.4%	0.0%
23-Jan-19	AUD	Unemployment Rate	5.0%	5.1%	5.1%
24-Jan-19	EUR	Main Refinancing Rate		0.00%	0.00%
24-Jan-19	EUR	ECB Press Conference			
25-Jan-19	EUR	German Ifo Business Climate		100.7	101.0

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	2.58	2.58	2.58	2.74	3.06
Germany	-0.60	-0.59	-0.33	0.23	0.83
United Kingdom	0.80	0.79	0.96	1.32	1.81
Japan	-0.18	-0.17	-0.16	0.00	0.65

Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	60.35	(1.66)	Dow Jones	24,575.62	0.70
Brent	61.39	(0.03)	Nikkei 225	20,559.20	(0.17)
West Texas	52.39	(0.19)	S&P 500	2,638.70	0.22
Gold	1,281.52	(0.04)	KuwaitSE	5,236.58	(0.41)

Global Indices

All information has been sourced from Reuters.

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