



بيت التمويل الكويتي
Kuwait Finance House

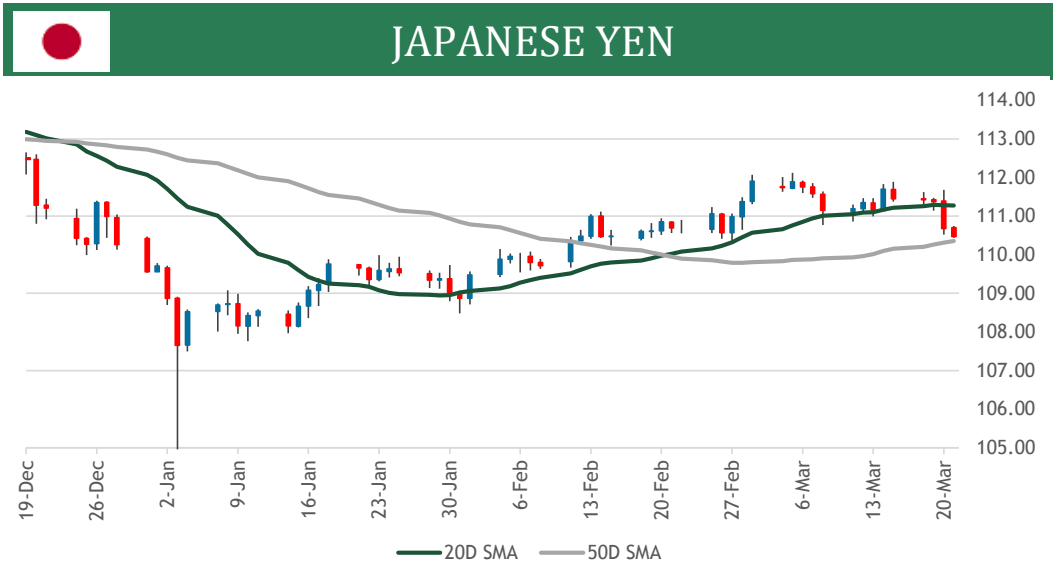


Market Commentary

KFH Treasury



Forex Market

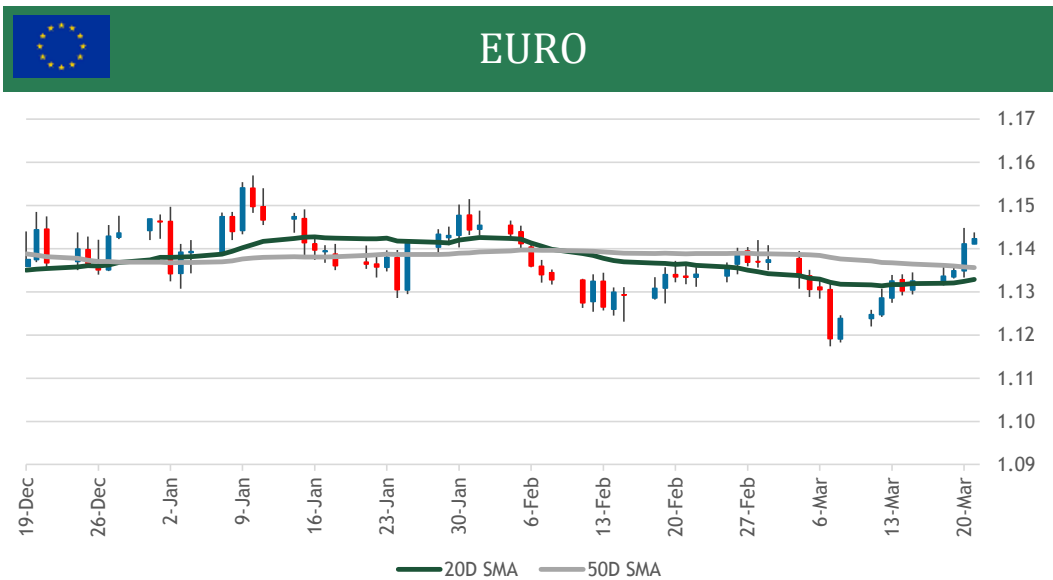


CLOSE
110.68

1M %chg
-0.15%

3M %chg
-0.54%

- USD/JPY only manages a 110.59/74 range after the sharp drop post Fed.
- O/n fall has ended uptrend, put technical focus on downside now.
- Initial support at 55 DMA at 110.20, then Ichi cloud top at 109.95.
- Resistance is at March 10 low at 110.75, then strong at Kijun line at 111.19.
- Further pressure from repatriation inflows likely before fiscal Y/E Mar 31.



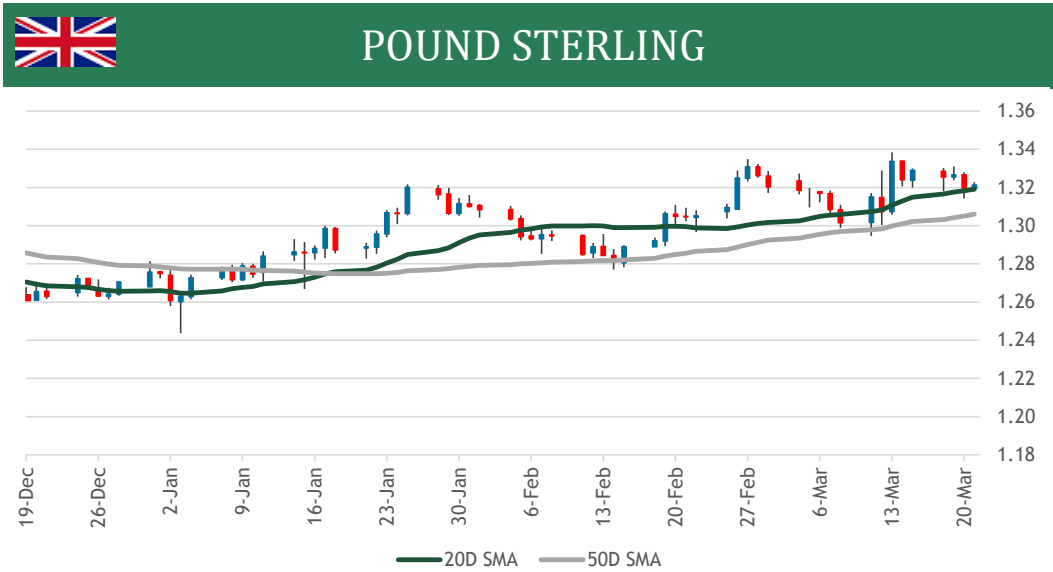
CLOSE
1.1411

1M %chg
0.67%

3M %chg
-0.29%

- EUR/USD consolidating between 1.1412/37 in Asia after solid post-Fed gains.
- Pair likely to remain bid as market processes Fed's dovish shift.
- Resistance @ post-Fed high @ 1.1448 with break targeting 200-day MA @ 1.1479.
- Key will be reaction in Bund yields to large fall in US Treasury yields.
- Key support around 1.1365 where the 55 & 100-day MAs converge.

Forex Market



CLOSE **1.3196** 1M %chg **1.13%** 3M %chg **4.27%**

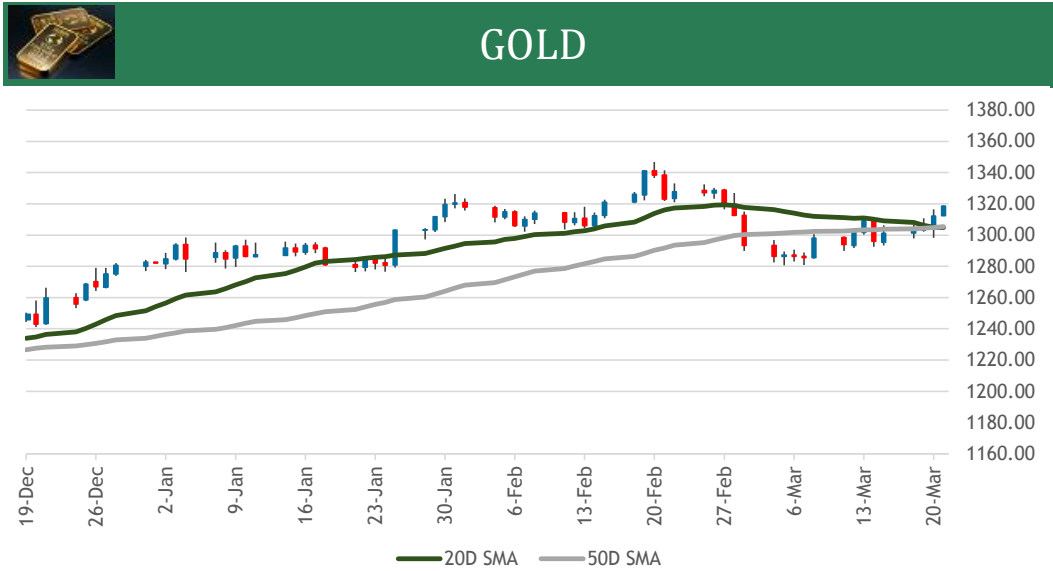
- GBP/USD sliding as May asks for Jun 30 extension, as expected.
- However, an EU document says that would be legally and politically difficult.
- Famed UK political ed Peston responds May's move has potential to tear apart both Labour and Tory parties apart because there are MPs in both parties who passionately believe it is wholly irresponsible to rule out a longer Brexit delay.
- No significant Brexit news released in Asia - chaos reigns.
- We talked earlier of a bulk of stops below 1.3150. Low so far 1.3147. We say there are more sell triggers down there.



CLOSE **5.4178** 1D %chg **-1.05%** 1M %chg **1.82%**

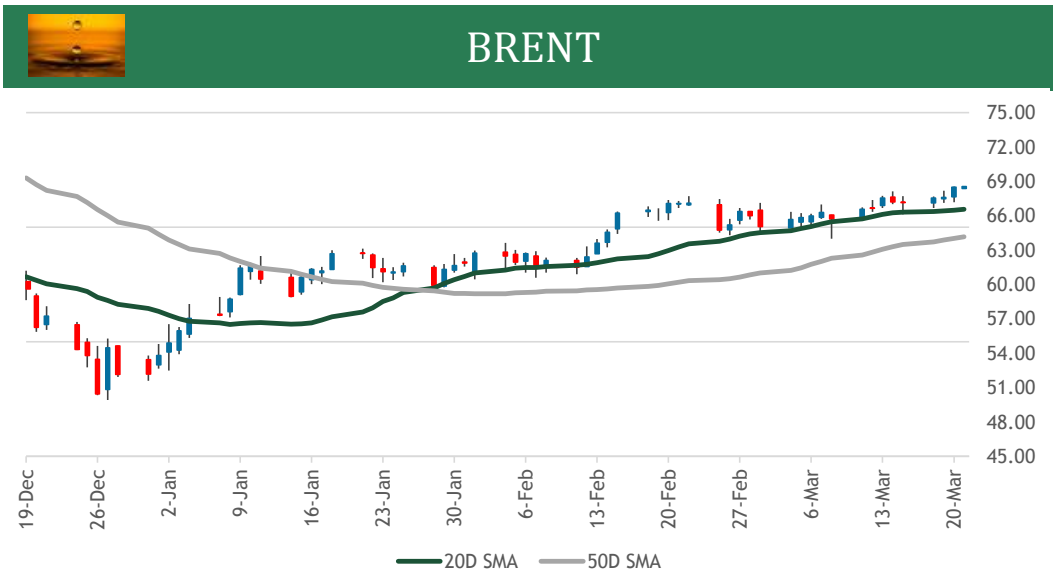
- Turkey's lira stood at 5.4160 against the dollar at 1838 GMT on Wednesday, firming more than one percent from Tuesday's close of 5.4745, following a U.S. Federal Reserve decision to hold interest rates steady.
- Earlier, the lira strengthened to as much as 5.4069 against the greenback.

Commodities



CLOSE **1312.24** 1D %chg **0.45%** 1W %chg **0.24%**

- Gold rose on Thursday, trading close to a three-week peak hit in the previous session after the U.S. Federal Reserve phased out a possibility of an interest rate hike this year, while palladium scaled a record peak on supply issues.
- Spot Gold gained 0.3 percent at \$1,315.81 per ounce as of 0114 GMT, after touching its highest since Feb. 28 at \$1,316.58 in the previous session.
- U.S. Gold futures rose 1.1 percent to \$1,316.10 an ounce.



CLOSE **68.50** 1D %chg **1.32%** 1W %chg **1.41%**

- Oil prices edged lower on Thursday, retreating from a four-month peak, as fears of a slowing global economy weighed on market sentiment.
- U.S. West Texas Intermediate (WTI) crude futures were at \$60.16 per barrel at 0040 GMT, down 7 cents, or 0.1 percent, from their last settlement. WTI had earlier hit a high of \$60.19 a barrel - the highest since Nov. 12.
- International Brent crude oil futures were at \$68.47 a barrel, down 3 cents from their last close. Brent touched \$68.57 a barrel on Wednesday, its highest since Nov. 13.

Daily Market Report



MARKET SUMMARY

INSTRUMENT	OPEN	HIGH	LOW	CLOSE	%CHG 1D
EUR	1.1349	1.1448	1.1333	1.1411	0.55%
GBP	1.3267	1.3280	1.3143	1.3196	-0.54%
JPY	111.39	111.68	110.52	110.68	-0.62%
TRY	5.4729	5.4829	5.4052	5.4178	-1.05%
Dollar Idx	96.3970	96.5730	95.7400	95.7610	-0.65%
Brent	67.66	68.57	67.19	68.50	1.32%
WTC	-	-	-	60.12	1.69%
Gold	1305.36	1316.58	1298.25	1312.24	0.45%
KWSE Index	6603.5800	6643.2400	6601.5900	6633.4400	0.00%

UPCOMING ECONOMIC RELEASES

INDICATOR	Ctry / Regn	Time	For	Prior	Consensus
CPI, Core Nationwide YY	JP	21/Mar 00:30	Feb	0.8	0.8
CPI Index Ex Fresh Food*	JP	21/Mar 00:30	Feb	101.2	
CPI Ex Fresh Fd and Eng	JP	21/Mar 00:30	Feb	0.4	
Retail Sales Ex-Fuel MM	GB	21/Mar 10:30	Feb	1.2	-0.4
GB BOE QE Corp*	GB	21/Mar 13:00	Mar	10	10

KIBOR RATES

Tenor	Value	Tenor	Value
ON	1.56	3M	2.69
SW	2.06	6M	2.88
1M	2.44	1Y	3.13

CENTRAL BANK OF KUWAIT

KWD (CBK FIX) CLOSE

0.30340

1D %chg

0.00%

POLICY RATES INDICATOR	As of	Value	Prior	Change
ON Repo Rate	20/Dec/'18	2.50	2.50	0.00
1W Repo Rate	20/Dec/'18	2.75	2.75	0.00
1M Repo Rate	20/Dec/'18	3.25	3.25	0.00
KWD ON Rate	20/Dec/'18	10.00	10.00	0.00
Discount Rate	20/Dec/'18	3.00	3.00	0.00

LIBOR RATES

Tenor	Value	Tenor	Value
ON	2.39	3M	2.61
SW	2.41	6M	2.67
1M	2.49	1Y	2.81
2M	2.56		

OTHER C-BANK RATES

INDICATOR	As of	Value	Prior	Change
FED Target Rate	19/Dec/'18	2.50	1.25	1.25
ECB Refinancing Rate	10/Mar/'16	0.00	0.05	-0.05
BOE Bank Rate	02/Aug/'18	0.75	0.50	0.25
BOJ Prime Rate	10/Jul/'17	1.00	0.95	0.05
TRY ON Lending Rate	21/Sep/'18	25.50	24.00	1.50

Economic Calendar & News

ECONOMIC CALENDAR - Upcoming shortly

INDICATOR	Ctry / Regn	Time	For	Prior	Consensus
CPI, Core Nationwide YY	JP	21/Mar 00:30	Feb	0.8	0.8
CPI Less Food and Energy*	JP	21/Mar 00:30	Feb	101.4	
CPI Ex Fresh Fd and Eng	JP	21/Mar 00:30	Feb	0.4	
CPI MM NSA*	JP	21/Mar 00:30	Feb	0.0	
CPI Index Ex Fresh Food*	JP	21/Mar 00:30	Feb	101.2	
CPI, Overall Nationwide	JP	21/Mar 00:30	Feb	0.2	
CPI NSA*	JP	21/Mar 00:30	Feb	101.5	
CPI Nationwide Excl Food & Ener	JP	21/Mar 00:30	Feb	-0.20	
CPI Nationwide Excl Food & Ener	JP	21/Mar 00:30	Feb	0.4	
Foreign Bond Investment	JP	21/Mar 00:50	w/e	245.7	
Foreign Invest JP Stock	JP	21/Mar 00:50	w/e	-1158.60	
PSNCR, GBP	GB	21/Mar 10:30	Feb	-25.43	
PSNB, GBP	GB	21/Mar 10:30	Feb	-15.76	0.050
PSNB Ex Banks GBP	GB	21/Mar 10:30	Feb	-14.90	0.600
Retail Sales MM	GB	21/Mar 10:30	Feb	1.0	-0.40
Retail Sales YY	GB	21/Mar 10:30	Feb	4.2	3.3
Retail Sales Ex-Fuel MM	GB	21/Mar 10:30	Feb	1.2	-0.40
Retail Sales Ex-Fuel YY	GB	21/Mar 10:30	Feb	4.1	3.3
GB BOE QE Corp*	GB	21/Mar 13:00	Mar	10	10
BOE Bank Rate*	GB	21/Mar 13:00	Mar	0.75	0.75
BOE Bank Rate*	GB	21/Mar 13:00	Mar	0.75	0.75
GB BOE QE Gilts*	GB	21/Mar 13:00	Mar	435	435
BOE MPC Vote Cut*	GB	21/Mar 13:00	Mar	0	0
BOE MPC Vote Hike*	GB	21/Mar 13:00	Mar	0	0

NEWS AND STREET BUZZ

Global Top News

- Shares in Asia rose on Thursday after the U.S. Federal Reserve took a more accommodative stance at its policy meeting, but concerns over slowing global growth and U.S.-China trade talks are expected to limit gains.
- The U.S. Federal Reserve on Wednesday brought its three-year drive to tighten monetary policy to an abrupt end, abandoning projections for any interest rate hikes this year amid signs of an economic slowdown, and saying it would halt the steady decline of its balance sheet in September.
- European Union leaders meet in Brussels on Thursday to give Prime Minister Theresa May an offer to delay Brexit beyond March 29, on condition that she can finally win over her many opponents in parliament next week.
- Suspension of a scheme paying billions of pounds to utilities in Britain to provide back-up electricity could drag into 2020, the UK head of German power company Uniper said.
- Qatar has called on the International Atomic Energy Agency (IAEA) to intervene in a dispute over a \$24 billion nuclear power plant which the United Arab Emirates (UAE) is building.
- The European Union will discuss a more defensive strategy on China on Thursday, potentially signalling an end to the unfettered access that Chinese business has enjoyed in Europe but which Beijing has failed to reciprocate.
- Saudi Arabia is targeting up to \$20 billion of investments through 2035 for a planned landmark tourism destination and will hold a global investor roadshow before the end of the year, the head of the project told Reuters.
- Kuwait's foreign minister said on Wednesday that a long-awaited U.S. peace proposal for the Middle East should be acceptable to all stakeholders and factor in regional considerations.
- Saudi Arabia's stock market dropped on Wednesday as petrochemical companies slid amid falling oil prices while rival markets were mostly lifted by financial stocks.

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