

Highlights in the Foreign Exchange Market:

- U.S. equities ended Monday's session lower, pressured by a second straight day of firm losses in technology shares. The Nasdaq declined from its recent highs and shed 0.52% of its value on Monday, trading at 6,175.47. In Asia, stock markets were higher on Tuesday despite ongoing pressure in technology shares. The Topix and Hang Seng both increased by 0.12% and 0.38%, while the Nikkei is currently flat.
- On the currency front, the Canadian dollar soared to its highest level in nearly two months after hawkish comment from the central bank on its monetary policy. The BoC's Senior Deputy Governor Carolyn Wilkins claimed that Q1 growth was "pretty impressive" and that signs of economic growth were broadening. After the comments, USD/CAD dropped nearly 200 points. The pair depreciated from 1.3465 to 1.3276, hitting the lowest level since April 18. The pair is currently trading below the 200-day moving average for the first time since February.
- The BoJ's executive director overseeing monetary policy, stated in the Parliament today that "the slowdown in the BoJ's bond buying came as a result of our policy of guiding yields at appropriate levels. The BoJ will continue to take necessary steps to stabilize prices while keeping an eye on how they affect its financial health".
- On the monetary front, markets expect the Fed to raise interest tomorrow by another 25bps to 1.00-1.25%, while the probability of a hike is currently at 95.8%.

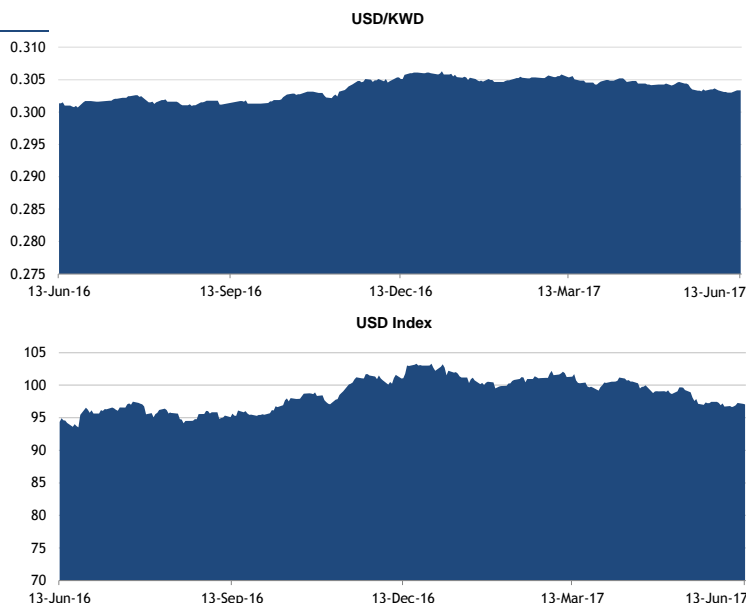


Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1080	1.1145	1.1194	1.1240	1.1300
GBP	1.2580	1.2635	1.2686	1.2740	1.2820
JPY	108.90	109.45	110.03	110.65	111.20
CHF	0.9580	0.9630	0.9691	0.9740	0.9815

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1200	6.71	EUR/GBP	0.8848	3.78
GBP/USD	1.2655	2.87	GBP/JPY	139.18	(2.87)
USD/JPY	109.92	(5.68)	EUR/JPY	123.14	0.43
USD/CHF	0.9686	(5.06)	EUR/CHF	1.0850	1.17

Major Crosses

Brief Technical Commentary

The EUR/USD pair moved up to the 1.1231 level during Monday's trading session and currently sets at 1.1194 EUR Resistance is at (1.1240-1.1300) any break above targets 1.1500. The pair is currently Bullish.

The USD/JPY pair fell to the 109.63 level during Monday's trading session and currently sets at 110.01, USD/JPY Support is at (109.45-108.90) any break below targets 107.00 level The pair is currently Bearish.

Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	1.00	1.38	1.63	1.88	2.19
USD	1.11	1.14	1.24	1.42	1.74
EUR	-0.41	-0.40	-0.37	-0.30	-0.18
GBP	0.24	0.25	0.29	0.42	0.61
CHF	-0.79	-0.79	-0.73	-0.66	-0.49
AUD	2.78	2.86	2.95	3.05	3.33

Economic Events

Date	Country	Event	Actual	Forecast	Previous
13-Jun-17	GBP	CPI y/y	-	2.7%	2.7%
13-Jun-17	EUR	German ZEW Econ. Sentiment	-	21.8	20.6
13-Jun-17	USD	PPI m/m	-	0.1%	0.5%
14-Jun-17	CNY	Industrial Production y/y	-	6.4%	6.5%
14-Jun-17	USD	CPI m/m	-	0.3%	0.2%
14-Jun-17	USD	Retail Sales m/m	-	0.1%	0.4%
14-Jun-17	USD	Federal Funds Rate	-	1.25%	1.00%
15-Jun-17	CHF	Libor Rate	-	-0.75%	-0.75%
15-Jun-17	GBP	Official Bank Rate	-	0.25%	0.25%
16-Jun-17	JPY	BOJ Policy Rate	-	-0.10%	-0.10%

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	1.19	1.36	1.78	2.22	2.87
Germany	-0.81	-0.73	-0.44	0.27	1.11
United Kingdom	0.11	0.09	0.40	0.99	1.69
Japan	-0.14	-0.12	-0.08	0.06	0.81

Commodities

Index	Last Price	% Change	Index	Last Price	Change
Kuwait Oil	45.46	(0.63)	Dow Jones	21,235.67	(36.30)
Brent	46.62	(0.04)	Nikkei 225	19,898.75	(9.83)
West Texas	46.05	(0.22)	S&P 500	2,429.39	(2.38)
Gold	1,264.36	(0.06)	KuwaitSE	6,768.70	(6.02)

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).