

Highlights in the Foreign Exchange Market:

- US stocks fell on yesterday on growing worries the US administration's approach to trade is harming global economic growth even as it appeared to be modifying its approach to curb Chinese investments in US technology firms. Trump said on Wednesday he will use a strengthened national security review process to stop Chinese acquisitions of sensitive American technologies, a softer approach than imposing China-specific investment restrictions. The softer rhetoric helped push the dollar higher across the board. The NASDAQ closed lower by 1.54% while the S&P 500 was lower 0.86%.
- The Bank of England hit back at European Union criticism on Wednesday, saying British banks were fully prepared for any disorderly Brexit and that it was the EU itself which should act to prevent market disruption. On Monday, the EBA said banks had failed to make enough progress in their Brexit preparations and should not expect help from a "miracle" of public intervention. The new dispute has helped see both respective currencies lower this week.
- In the US, new orders for core durable goods unexpectedly fell in May. The figure came at a decrease of 0.3% versus an increase of 1.9% in the prior month. The decline was almost broad, due to the fears of escalating tensions between the US and its major trade partners. The fears could hurt business sentiment, disrupt supply chains and undercut economic growth.
- In spite of Opec and 11 non-Opec nations pledging to raise output from July, oil prices gained this week. The API reported a large draw of over 9.2 million barrels in the US crude oil inventories for the week to June 22, surpassing the prior week's draw of 5.9 million barrels. Oil prices have remained highly volatile after the OPEC meeting in Vienna and the US state department increasing pressure on its international allies to stop importing crude oil from Iran.

Brent Crude
YTD Performance



GBP/USD
YTD Performance



Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1505	1.1540	1.1561	1.1615	1.1670
GBP	1.3080	1.3110	1.3153	1.3190	1.3230
JPY	109.30	109.85	110.62	110.90	111.40
CHF	0.9825	0.9890	0.9975	0.9990	1.0075

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1554	-3.67	EUR/GBP	0.8809	0.67
GBP/USD	1.3113	-2.99	GBP/JPY	144.60	5.30
USD/JPY	110.26	2.18	EUR/JPY	127.39	6.08
USD/CHF	0.9973	-2.29	EUR/CHF	1.15	1.50

Major Crosses

Brief Technical Commentary

Euro broke supports and currently trading below 1.1600 level. Short term is slightly bearish. However medium term outlook remains extremely bearish. 1.1500 will be a critical psychological and technical level for the pair. Any break of that will target 1.1300 level. On the upside, a break above 1.1670 will turn the outlook into neutral.

USDJPY is moving upward and found a support around 110.00 level. Short term outlook is neutral. However, general strength in USD across the board is observed for the long run. trading above 110.00 level would keep the outlook bullish. On the downside, a break below 109.30 would turn the outlook to slightly negative.

Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	0.00	1.75	2.00	2.25	2.50
USD	1.99	2.10	2.34	2.50	2.77
EUR	-0.43	-0.40	-0.37	-0.32	-0.23
GBP	0.48	0.50	0.66	0.78	0.96
CHF	-0.79	-0.78	-0.73	-0.65	-0.52
AUD	2.78	2.87	2.96	3.06	3.34

Economic Events

Date	Country	Event	Actual	Forecast	Previous
25-Jun-18	EUR	German Ifo Business Climate	101.8	101.9	102.2
26-Jun-18	USD	CB Consumer Confidence	126.4	127.6	128
26-Jun-18	GBP	MPC McCafferty Speaks	-	-	-
26-Jun-18	GBP	MPC Member Haskel Speaks	-	-	-
27-Jun-18	USD	Crude Oil Inventories	-	-	-5.9M
27-Jun-18	USD	Core Durable Goods Orders	-0.3%	0.5%	1.9%
27-Jun-18	GBP	BOE Financial Stability Report	-	-	-
27-Jun-18	GBP	BOE Gov Carney Speaks	-	-	-
27-Jun-18	EUR	M3 Money Supply y/y	-	3.8%	3.9%
27-Jun-18	CHF	Credit Suisse Economic Exp	-	-	28

Government Yields

Country	2-Year	3-Year	5-Year	10-Year	30-Year
United States	2.50	2.58	2.71	2.83	2.98
Germany	-0.69	-0.61	-0.31	0.32	1.06
United Kingdom	0.69	0.70	0.99	1.24	1.72
Japan	-0.14	-0.13	-0.12	0.02	0.70

Commodities

Index	Last Price	1D % Change	Index	Last Price	1D % Change
Kuwait Oil	73.04	1.61	Dow Jones	24,117.59	-0.68
Brent	77.50	-0.15	Nikkei 225	22,241.85	-0.13
West Texas	72.53	-0.32	S&P 500	2,699.63	-0.86
Gold	1,252.35	0.00	KuwaitSE	4,870.60	-0.11

All information has been sourced from Bloomberg

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