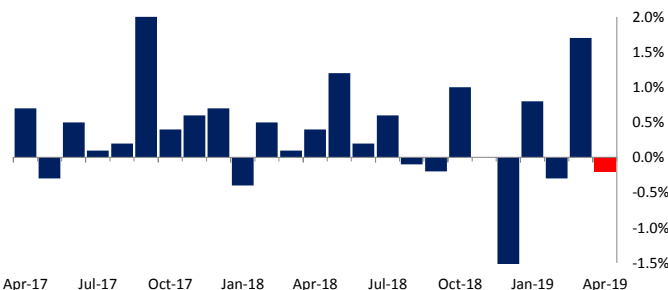


US Retail Sales
1 Year Performance



Highlights in the Foreign Exchange Market:

- Trade talks between the US and China had seemed close to collapsing in the past week after the US hiked tariffs on Chinese goods and Beijing retaliated with higher duties of its own. Adding flame to the fire, on Wednesday US President Donald Trump issued an executive order excluding US companies from using information or communication technology made or controlled by firms that pose a national security risk, clearly aiming at China, and more specifically at Huawei - the Chinese smartphone giant. The local Chinese media has said that the country may have no interest in continuing trade talks with the US for now, leaving the next opportunity for a meeting at the G-20 summit towards the end of next month.
- American consumers seem to have tightened their wallets just a month after they geared retail sales to the biggest rise the gauge has seen since September 2017. Headline retail sales fell 0.2% month-on-month in April, crushing expectations for a 0.2% gain and followed March's astounding 1.7% rise. The figure was largely attributed to the auto and building materials sectors, which fell 1.1% and 1.9% respectively from March. Even so, it was unlikely that March's figure would be beat given that it was driven largely by tax refunds. Thus, April retail sales will unlikely change the view that the US economy is holding up better than expected despite the trade turmoil.
- Under immense pressure to resign, Prime Minister Theresa May has announced to senior Conservative MPs that she would confirm the details of her departure in early June. The departure will go forth whether or not she secures a Brexit deal, while most MPs expect the deal to be rejected for a fourth time. If May does resign before the Commons summer break, a leadership contest would take place over the summer with a new leader in place prior to the Conservative conference in Manchester in September. Talks appeared to have halted given that the viability of doing a deal is now questionable as a new prime minister may destroy it. May's allies have insisted that cross-party talks with Labor to secure a Brexit deal are in place and will continue. The Sterling had a difficult past week, and is currently trading at a 3 month low of 1.2720.

GBP/USD
YTD Performance

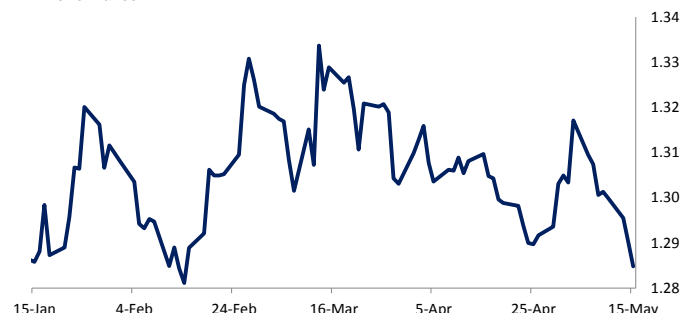


Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.0955	1.1055	1.1156	1.1255	1.1350
GBP	1.2520	1.2620	1.2718	1.2820	1.2920
JPY	108.10	109.10	110.07	111.05	112.05
CHF	0.9905	1.0005	1.0105	1.0205	1.0295

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1156	(2.73)	EUR/GBP	0.8770	(2.38)
GBP/USD	1.2718	(0.31)	GBP/JPY	140.01	(0.02)
USD/JPY	110.0700	(0.17)	EUR/JPY	122.79	(2.72)
USD/CHF	1.0105	2.97	EUR/CHF	1.1278	0.21

Major Crosses

Brief Technical Commentary

EUR/USD: The pair moved down to the 1.1153 level during Friday's trading session and closed for the week at 1.1156 EUR/USD Support is at (1.1055-1.1110) any break above would take the pair down to 1.0955. Short term outlook is Bearish.

GBP/USD: The pair moved down to the 1.2711 level during Friday's trading session and closed for the week at 1.2718 GBP/USD Support is at (1.2620-1.2660) any break below would take the pair down to 1.2520. Short term outlook is Bearish.

Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	2.06	2.44	2.69	2.94	3.13
USD	2.40	2.44	2.52	2.55	2.64
EUR	-0.45	-0.41	-0.35	-0.31	-0.23
GBP	0.70	0.73	0.80	0.91	1.04
CHF	-0.81	-0.79	-0.71	-0.66	-0.52
AUD	1.52	1.00	1.45	1.60	1.55

Economic Events

Date	Country	Event	Actual	Forecast	Previous
21-May-19	USD	Fed Chair Powell Speaks			
21-May-19	AUD	Monetary Policy Meeting Minutes			
21-May-19	GBP	Inflation Report Hearings			
22-May-19	NZD	Retail Sales q/q		0.6%	1.7%
22-May-19	AUD	RBA Gov Lowe Speaks			
22-May-19	GBP	CPI y/y		2.2%	1.9%
22-May-19	CAD	Core Retail Sales m/m			
22-May-19	USD	FOMC Meeting Minutes			
23-May-19	EUR	German Flash Manufacturing PMI		44.9	44.4
24-May-19	GBP	Retail Sales m/m			1.1%

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	2.32	2.20	2.17	2.39	2.82
Germany	-0.61	-0.67	-0.52	-0.11	0.53
United Kingdom	0.72	0.69	0.79	1.04	1.59
Japan	-0.17	-0.17	-0.17	-0.06	0.52

Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	73.24	(0.50)	Dow Jones	25,764.00	(0.38)
Brent	72.15	(3.00)	Nikkei 225	21,250.09	0.89
West Texas	63.30	(3.70)	S&P 500	2,859.53	(0.58)
Gold	1,277.15	(0.72)	KuwaitSE	5,607.04	0.21

Global Indices

All information has been sourced from Reuters.

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