

#### Highlights in the Foreign Exchange Market:

- The United States Ambassador to China stated that the US wants China to provide a timetable on how it will open up its markets to U.S. exports as the two countries are still "very far apart" on resolving trade frictions. Both countries have indicated an intention to implement tens of billions of dollars in tariffs in recent weeks, increasing fears of a major trade-war that could hurt global supply chains and dent business investment plans.
- In the meantime however, the dollar edged up against a basket of currencies after trade war sentiments eased. The benchmark 10-year US Treasury Yield also reached 3% again as a result. The fresh calmness over US-Chinese relations stem from recent Trump comments in which he defended his original statements. Trump has previously announced his decision to revisit penalties for Chinese company ZTE Corp for flouting U.S. sanctions on trade with Iran, saying the telecom maker is a big buyer for U.S. suppliers.
- Data out of China indicated weaker-than-expected investment and retail sales in April and a drop in home sales. The figures clouded China's economic outlook even as policymakers try to navigate debt risks and defuse a heated trade row with the United States. Data also showed fixed asset investment grew the slowest since 1999 and the pace of retail sales softened to a four-month low, suggesting a long-anticipated slowdown in the world's second-largest economy may finally be setting in even as trade protectionism is on the rise.



#### Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1820	1.1890	<b>1.1918</b>	1.1950	1.1995
GBP	1.3460	1.3530	<b>1.3546</b>	1.3575	1.3610
JPY	109.10	109.40	<b>109.87</b>	110.05	110.50
CHF	0.9940	0.9985	<b>1.0012</b>	1.0060	1.0100

#### Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1925	(0.68)	EUR/GBP	0.8796	(0.98)
GBP/USD	1.3554	0.24	GBP/JPY	148.64	(2.16)
USD/JPY	109.65	(2.49)	EUR/JPY	130.77	(3.14)
USD/CHF	1.0004	2.75	EUR/CHF	1.1931	2.08

#### Major Crosses

#### Brief Technical Commentary

EUR/USD: The pair moved up to the 1.1995 level during Monday's trading session and currently trading at at 1.1918. EUR Resistance is at (1.1950-1.1995) any break above targets 1.2040 and Support is at (1.1820-1.1890) any break below targets 1.1750. The pair is currently Bearish.

USD/JPY: The pair moved up to the 109.92 level this morning and currently trading at 109.87. USD/JPY Resistance is at (110.05-110.50) any break above targets 111.20. The pair is currently Bullish.

#### Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	1.19	1.69	1.94	2.13	2.44
USD	1.76	1.93	2.33	2.50	2.76
EUR	-0.43	-0.40	-0.35	-0.31	-0.24
GBP	0.48	0.50	0.65	0.76	0.93
CHF	-0.80	-0.78	-0.72	-0.65	-0.52
AUD	1.40	1.70	1.93	2.00	2.25

#### Economic Events

Date	Country	Event	Actual	Forecast	Previous
14-May-18	USD	FOMC Member Mester Speaks	-	-	-
15-May-18	CNY	Industrial Production y/y	7.0%	6.4%	6.0%
15-May-18	GBP	Average Earnings Index 3m/y	-	2.7%	2.8%
15-May-18	GBP	Unemployment Rate	-	4.2%	4.2%
15-May-18	EUR	Flash GDP q/q	-	0.4%	0.4%
15-May-18	GBP	Inflation Report Hearings	-	-	-
15-May-18	USD	Retail Sales m/m	-	0.4%	0.6%
16-May-18	EUR	Final CPI y/y	-	1.2%	1.2%
16-May-18	EUR	ECB President Draghi Speaks	-	-	-
16-May-18	CHF	SNB Chairman Jordan Speaks	-	-	-

#### Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	2.24	2.55	2.87	3.02	3.15
Germany	-0.68	-0.56	-0.01	0.61	1.28
United Kingdom	0.70	0.80	1.16	1.47	1.89
Japan	-0.14	-0.14	-0.10	0.05	0.74

#### Commodities

Index	Last Price	% Change	Index	Last Price	Change
Kuwait Oil	73.61	0.97	Dow Jones	24,899.41	68.24
Brent	79.16	(0.03)	Nikkei 225	22,841.04	(24.82)
West Texas	70.96	(0.14)	S&P 500	2,730.13	2.41
Gold	1,311.61	(0.06)	KuwaitSE	4,804.04	(15.26)

All information has been sourced from Reuters

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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).