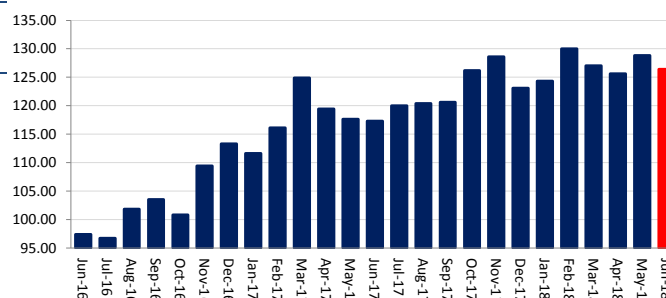


Highlights in the Foreign Exchange Market:

- US equity indices ended Tuesday's session in the green zone despite ongoing trade tensions. The support came from the energy sector as oil prices rallied. The Nasdaq gained 0.39% in yesterday's session. The positive momentum witnessed in US equity market did not spill over into Today's Asian session. Asian stock markets are currently trading in a mixed manner as rising oil prices and trade tensions continued to set the tone for trading.
- In the US, consumer confidence retreated in June, falling to 126.4 down from May's upwardly revised 128.8. The dip in confidence is being blamed on the escalating tensions between the US and its trading partners. In addition to that, it indicates that Americans remain upbeat on the current state of the economy with large number of job openings and lower taxes. The labor market is viewed as being near or at full employment, with the unemployment rate at an 18-year low of 3.8%.
- On the trade front, the potential increase in steel imports to Canada due to global producers avoiding US tariffs has alarmed the Canadian government. Measures to combat the possible flood of importers include quotas and tariffs on steel imports aimed at countries such as China. Canadian steel imports totaled \$9 billion in 2017, with 55% of those imports coming from the US. Canada relies heavily on imports for various types of steel including those used for residential buildings.
- In the commodities complex, oil prices continued the upward momentum, reinforced by supply disruptions in Libya and Canada after US officials said all countries should stop Iranian crude imports from November.

US Consumer Confidence
2-Year Performance



Brent Crude Oil
1-Month Performance



Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1565	1.1615	1.1654	1.1700	1.1770
GBP	1.3125	1.3180	1.3220	1.3315	1.3360
JPY	108.90	109.30	109.97	110.20	110.90
CHF	0.9800	0.9825	0.9908	0.9920	0.9990

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1645	(2.80)	EUR/GBP	0.8804	(0.74)
GBP/USD	1.3226	(2.14)	GBP/JPY	145.55	(4.44)
USD/JPY	110.05	(2.46)	EUR/JPY	128.16	(5.19)
USD/CHF	0.9904	1.64	EUR/CHF	1.1538	(1.22)

Major Crosses

Brief Technical Commentary

Euro is trading below 1.1700 and further decline is expected. Short term is slightly bearish and any move up should be limited to 1.1700. However, medium term outlook remains extremely bearish. On the upside, a break above 1.1770 will turn the outlook into bullish.

USDJPY current resistance is at 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 make 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	1.13	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	1.45	1.92	2.01	2.11	2.24

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	-	0.5%	0.9%
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	1-Year	2-Year	5-Year	10-Year	30-Year
United States	2.31	2.53	2.74	2.87	3.02
Germany	-0.74	-0.71	-0.30	0.33	1.10
United Kingdom	0.66	0.73	1.03	1.29	1.77
Japan	-0.14	-0.14	-0.12	0.03	0.71

Commodities

Index	Last Price	% Change	Index	Last Price	Change
Kuwait Oil	74.04	2.27	Dow Jones	24,283.11	30.31
Brent	73.32	(0.03)	Nikkei 225	22,262.19	(79.81)
West Texas	73.98	(3.27)	S&P 500	2,723.06	5.99
Gold	1,255.17	(0.18)	KuwaitSE	4,909.72	4.13

Global Indices

All information has been sourced from Reuters

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