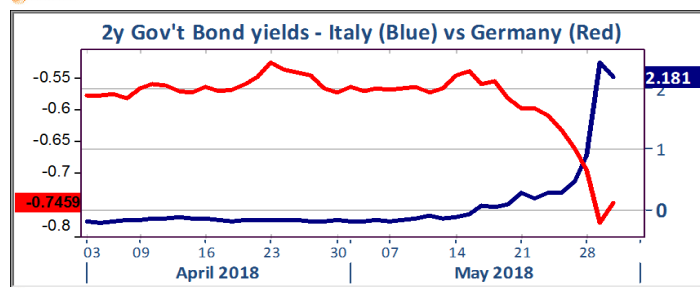
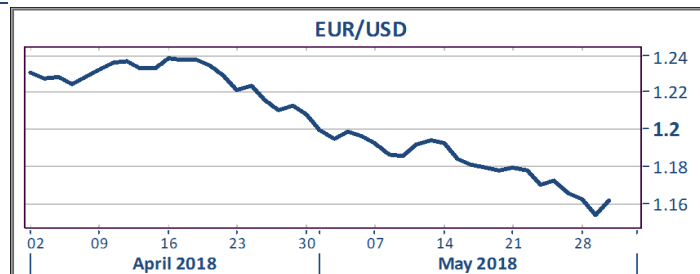


#### Highlights in the Foreign Exchange Market:

- The single currency was the worst performer yesterday, subdued by an ongoing political crisis in Italy. The 2 year Italian yield reached a high of 2.731%, while the German 2 year bund yield plunged to a low of -0.85%. As a result, the German-Italian yield spread is hovering around 3%. As for the US bond market, demand has intensified for safe haven assets such as Treasury bonds, which caused the 10 year yield to fall to 2.807%.
- Looking at Europe's largest economy, German retail sales surprised to the upside after four consecutive monthly drops. The official data revealed that retail sales increased by 2.3% on the month in real terms, the Federal Statistics Office said. The above data was the highest monthly increase since October 2016. On a yearly basis, retail sales rose by 1.2%, slightly weaker than expected 1.3% increase.
- In a surprise development, the White House said Tuesday it wants to move forward with tariffs on \$50 billion in Chinese imports. This could potentially reboot a trade war with Beijing that it claimed was "on hold" less than two weeks ago. The new tariffs, to be formally unveiled in two weeks, are intended to punish Beijing for what President Donald Trump has argued is a systematic campaign by China to steal US technology. The announcement came as the US commerce secretary is preparing to lead a delegation to Beijing later this week.



#### Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1470	1.1525	1.1570	1.1640	1.1720
GBP	1.3165	1.3205	1.3269	1.3325	1.3375
JPY	107.60	108.30	108.85	109.25	109.80
CHF	0.9820	0.9880	0.9930	0.9985	1.0035

#### Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1538	(3.28)	EUR/GBP	0.8704	(1.73)
GBP/USD	1.3251	(1.67)	GBP/JPY	144.09	(5.07)
USD/JPY	108.75	(3.57)	EUR/JPY	125.49	(6.72)
USD/CHF	0.9911	1.66	EUR/CHF	1.1437	(1.66)

#### Major Crosses

#### Brief Technical Commentary

EUR/USD: The pair moved down to the 1.1506 level during Tuesday's trading session and currently trading at 1.1570. EUR Resistance is at (1.1640-1.1720) any break above targets 1.1770 and Support is at (1.1470-1.1525) any break below targets 1.1370. The pair is currently Bearish.

USD/JPY: The pair moved down to the 108.10 level during Tuesday's trading session and currently trading at 108.85. USD/JPY Resistance is at (109.25-109.80) any break above targets 110.35 and Support is at (107.60-108.30) any break below targets 107.20. The pair is currently Neutral.

#### Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	1.19	1.75	1.94	2.19	2.44
USD	1.75	1.98	2.31	2.47	2.71
EUR	-0.42	-0.40	-0.35	-0.31	-0.23
GBP	0.49	0.50	0.61	0.72	0.88
CHF	-0.80	-0.79	-0.74	-0.65	-0.53
AUD	1.66	2.14	2.05	2.13	2.28

#### Economic Events

Date	Country	Event	Actual	Forecast	Previous
29-May-18	USD	CB Consumer Confidence	128.0	128.2	128.7
30-May-18	EUR	German Retail Sales m/m		0.5%	-0.6%
30-May-18	JPY	BoJ Kuroda Speaks	-	-	-
30-May-18	USD	ADP Non Farm Payrolls		186K	204K
30-May-18	USD	Prelim GDP q/q	-	2.3%	2.3%
31-May-18	CNY	Manufacturing PMI	-	51.4	51.4
31-May-18	EUR	CPI Flash Estimate y/y	-	1.6%	1.2%
1-Jun-18	GBP	Manufacturing PMI	-	53.5	53.9
1-Jun-18	USD	Average Hourly Earnings	-	0.3%	0.1%
1-Jun-18	USD	Non-Farm Payrolls	-	190K	164K

#### Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	2.12	2.40	2.68	2.85	3.03
Germany	-0.75	-0.76	-0.33	0.32	1.03
United Kingdom	0.51	0.62	0.96	1.24	1.71
Japan	-0.15	-0.15	-0.13	0.02	0.70

#### Commodities

Index	Last Price	% Change	Index	Last Price	Change
Kuwait Oil	72.38	(0.07)	Dow Jones	24,361.45	(391.64)
Brent	74.80	(0.03)	Nikkei 225	22,018.52	(339.91)
West Texas	66.80	0.00	S&P 500	2,689.86	(31.47)
Gold	1,298.08	0.01	KuwaitSE	4,743.41	10.00

#### Global Indices

All information has been sourced from Reuters

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