Credit growth continued to improve accelerating to 4.7% y/y in May on a healthy monthly gain.

Money supply (M2) growth remained subdued at 0.5% y/y in May.

Oil prices slipped further in June, with Kuwait’s crude price averaging $45.3 per barrel during the month.

The deficit is likely to have come in at 19% of GDP in FY16/17; it should narrow to 13% in FY17/18.

Equity prices were mostly steady in June and July; the weighted index held on to a gain of 6.5% ytd.

Interbank rates rose 12 bps since the June Fed hike and the CBK decision to increase the overnight repo rate.

The trade-weighted value of the dinar continued to ease on the weaker dollar; the dinar index is down 3.0% ytd through 12 July.

Credit growth continued to improve accelerating to 4.7% y/y in May on a healthy monthly gain.

Money supply (M2) growth remained subdued at 0.5% y/y in May though M1 growth has been stronger at 9.8% y/y.

Inflation was steady at 2.7% y/y in May; a cooler real estate market has reduced pressures on housing rent in recent months.

Source: Central Bank of Kuwait

Source: Central Statistical Bureau; *NBK estimates
Oil output was little changed in May, averaging 2.7 million barrels per day, in line with Kuwait’s OPEC commitment.

**Source:** OPEC

Kuwait is likely to have registered a deficit of KD 6.3 billion in FY16/17 (19% of GDP); it should narrow to 13% in FY17/18.

**Source:** Ministry of Finance, NBK estimates; *estimates/forecasts

The trade surplus was steady at KD 1.6 billion in 1Q17 despite better oil prices as OPEC cuts reduced crude exports.

**Source:** Central Statistical Bureau

Oil prices slipped further in June, with Kuwait’s crude price averaging $45.3 per barrel during the month.

**Source:** Ministry of Finance, Kuwait Petroleum Corporation

CBK reserves were steady in May at KD 9.2 billion, or an estimated 11.5 months of imports.

**Source:** Central Bank of Kuwait, NBK estimates

Imports soared in 1Q17, rising by 11% y/y as the decline in consumer imports moderated.

**Source:** Central Statistical Bureau
Consumer confidence slipped in May, as the Ara index fell to 99.

Source: Ara Research & Consultancy

Stock market

Equity prices were mostly steady in June and July; the weighted index held on to a gain of 6.5% ytd through 12 July.

Source: Boursa Kuwait, Thomson Reuters Datastream

Interbank rates

Interbank rates rose 12 bps since the June Fed hike and the CBK decision to increase the overnight repo rate by 25 bps.

Source: Central Bank of Kuwait, Thomson Reuters Datastream

Card transactions

Consumers’ card spending (POS) continued to show easing growth, which fell to 7.1% y/y in 1Q17.

Source: Central Bank of Kuwait

Real estate sales

Real estate sales were exceptionally strong again in May, coming in at KD 289 million; prices continued to hold.

Source: Ministry of Justice

Exchange rate

The trade-weighted value of the dinar continued to ease on the weaker dollar; the dinar index is down 3.0% ytd through 12 July.

Source: Central Bank of Kuwait, Thomson Reuters Datastream
Head Office

Kuwait
National Bank of Kuwait S.A.P.
Abdulrah Al-Ashmawi Street
P.O. Box 95, Safat 13001
Kuwait City, Kuwait
Tel: +965 2242 2011
Fax: +965 2229 5804
Tele: 22043-22451 NATIBANK
www.nbk.com

International Network

Bahrain
National Bank of Kuwait S.A.P.
Zain Branch
Zain Tower, Building 401, Road 2806
Seef Area 426, P. O. Box 5290, Manama
Kingdom of Bahrain
Tel: +973 17 355 555
Fax: +973 17 104 860

United Arab Emirates
National Bank of Kuwait S.A.P.
Bahrain Head Office
SB Corp Tower
Block 346, Road 4626
Building 1411
P.O. Box 5290, Manama
Kingdom of Bahrain
Tel: +973 17 355 555
Fax: +973 17 104 860

United Arab Emirates
National Bank of Kuwait S.A.P.
Dubai Branch
Lutfi Tower, Sheikh Zayed Road
Yard to Creek Plaza
P.O. Box 9295, Dubai, U.A.E.
Tel: +971 4 3616100
Fax: +971 4 3888588

United Arab Emirates
National Bank of Kuwait S.A.P.
Abu Dhabi Branch
sheikh Rashid Bin Sareed
Al Mahroon, (Old Airport Road)
P.O. Box 11557, Abu Dhabi, U.A.E.
Tel: +971 2 4199 555
Fax: +971 2 2222 477

Saudi Arabia
National Bank of Kuwait S.A.P.
Jeddah Branch
Al Khalidiah District,
Al Mubarak Tower, Jeddah
P.O. Box 15355 Jeddah 21444
Kingdom of Saudi Arabia
Tel: +966 2 603 6380
Fax: +966 2 603 6316

Jordan
National Bank of Kuwait S.A.P.
Amman Branch
Sharaf Abdul Harim Sharaf St
P.O. Box 941, Shanshan, Amman 11194, Jordan
Tel: +962 6 580 0400
Fax: +962 6 580 0441

Lebanon
National Bank of Kuwait (Lebanon) S.A.L.
BAC Building, Justinnien Street, Sarayeh
P.O. Box 115727, Had El Sah
Beirut 1107 2200, Lebanon
Tel: +961 1 759700
Fax: +961 1 747866

Iraq
Credit Bank of Iraq
Street 9, Building 187
Jadoun Street, District 102
P.O. Box 3420, Baghdad, Iraq
Tel: +964 1 718498/7191944
+964 1 718406/7171673
Fax: +964 1 710156

Egypt
National Bank of Kuwait - Egypt
Plot 155, City Center, First Sector
5th Settlement, New Cairo
Egypt
Tel: +20 2 26419300
Fax: +20 2 26619376

United States of America
National Bank of Kuwait S.A.P.
New York Branch
299 Park Avenue
New York, NY 10171
USA
Tel: +1 212 303 9800
Fax: +1 212 319 0269

United Kingdom
National Bank of Kuwait (International) Plc
Head Office
13 George Street
London W1U 3JQ
UK
Tel: +44 20 7224 2277
Fax: +44 20 7224 2101

France
National Bank of Kuwait (International) Plc
Paris Branch
90 Avenue des Champs-Elysees
75008 Paris
France
Tel: +33 1 5659 8600
Fax: +33 1 5659 9625

Singapore
National Bank of Kuwait S.A.P.
Singapore Branch
9 Raffles Place # 4401
Republic Plaza
Singapore 049419
Tel: +65 6227 5348
Fax: +65 6224 5438

China
National Bank of Kuwait S.A.P.
Shanghai Representative Office
Suite 1903, 10th Floor, Azco Center
1233 Lupuwanqiu Road
Shanghai 200120, China
Tel: +86 21 6888 1092
Fax: +86 21 5947 1011

NBK Capital

Kuwait
NBK Capital
30th Floor, Arzaayil Block 6
Shihaadat street, Shair
P.O. Box 4950, Safat, 13050
Kuwait
Tel: +965 2224 6900
Fax: +965 2224 6904

United Arab Emirates
NBK Capital Limited - UAE
Precinct Building 3, Office 404
Dubai International Financial Center
Sheikh Zayed Road
P.O. Box 58650, Dubai
UAE
Tel: +971 4 365 2800
Fax: +971 4 365 2805

Associates

Turkey
Turkish Bank
Kalkoncad C.A.D. 7
Nicosia, P.O. Box 34371
Istanbul, Turkey
Tel: +90 212 373 6373
Fax: +90 212 225 0353

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NBK Economic Research, Tel: (965) 2295 5500, Fax: (965) 2224 6973, econ@nbk.com
www.nbk.com