

Highlights in the Foreign Exchange Market:

- The U.S. economy expanded at an annual rate of 6.4% in the first quarter of 2021 up from 4.3% in the fourth quarter of 2020. The increase reflected the continued economic recovery, reopening of establishments, and continued government response related to the COVID-19 pandemic. Robust demand for goods supported by two massive waves of fiscal stimulus saw consumer spending rise at a 10.7% annualized pace. The stimulus checks and growth in domestic demand did have a drawback as it led to a widening in the U.S. trade deficit to a record USD 90.6 billion. Exports of goods and services ticked down as the imports of goods and services jumped higher. This widening of the trade deficit is another weight pressuring the U.S. dollar as most importers sell their domestic currency to pay in exporter's currency.
- Reuters last week also published a survey that forecasted a revival in oil demand that would support prices. The survey said that Brent Crude would average \$64.17 in 2021, up from last month's consensus of \$63.12 per barrel and the current \$62.3 average for the benchmark so far this year. Both forecasts show that analysts believe that vaccine rollouts will outpace the recent surges seen across the globe.

Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1850	1.1950	1.2016	1.2100	1.2230
GBP	1.3650	1.3760	1.3815	1.3900	1.4052
JPY	107.50	108.40	109.20	109.71	110.50
CHF	0.9000	0.9060	0.9130	0.9185	0.9250

Brief Technical Commentary

EUR/USD: EUR dropped fiercely after optimism of the USD from its high of 1.2150. EUR feels more volatile than ever with strong numbers from the US dollar, that might break the bullish EUR trend.

GBP/USD: GBP is still consolidating between 1.36 and 1.40 finding a rigid path for a GBP bullish trend. While having better reports and numbers from the US dollar, the GBP will be limited regardless if an upbeat message from the BOE this week.

Economic Events

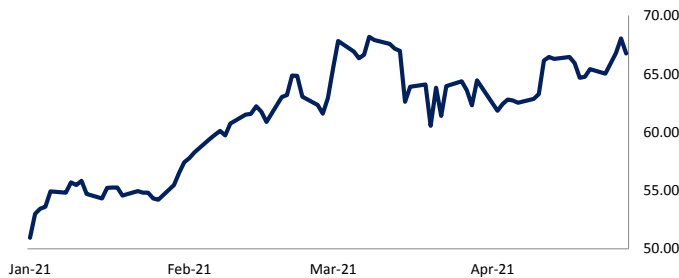
Date	Country	Event	Actual	Forecast	Previous
29-Apr-21	USD	Advance GDP q/q	6.4%	6.8%	4.3%
3-May-21	USD	Fed Chair Powell Speaks			
3-May-21	EUR	Final Manufacturing PMI		63.3	63.3
3-May-21	USD	ISM Manufacturing PMI		65	64.7
5-May-21	EUR	Final Services PMI		50.3	50.3
5-May-21	EUR	EU Economic Forecasts			
5-May-21	USD	ADP Non-Farm Employment Change		890K	517K
6-May-21	GBP	BOE Monetary Policy Report			
7-May-21	EUR	ECB President Lagarde Speaks			
7-May-21	USD	Non-Farm Employment Change		975K	916K

All information has been sourced from Bloomberg

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Brent Crude - YTD Performance



USD Index- YTD Performance



Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.2121	-1.60	EUR/GBP	0.8693	2.72
GBP/USD	1.3944	1.11	GBP/JPY	151.88	-6.52
USD/JPY	108.93	-5.54	EUR/JPY	132.04	-3.97
USD/CHF	0.9086	-3.06	EUR/CHF	1.10	-1.51

Major Crosses

Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	0.00	1.25	1.50	1.75	2.00
USD	0.08	0.11	0.18	0.20	0.28
EUR	-0.58	-0.57	-0.54	-0.53	-0.49
GBP	0.04	0.05	0.08	0.11	0.17
CHF	-0.82	-0.80	-0.75	-0.70	-0.59
AUD	2.78	2.87	2.96	3.06	3.34

Government Yields

Country	2-Year	3-Year	5-Year	10-Year	30-Year
United States	0.16	0.33	0.85	1.63	2.30
Germany	-0.73	-0.70	-0.58	-0.20	0.35
United Kingdom	0.07	0.18	0.38	0.84	1.34
Japan	-0.13	-0.16	-0.11	0.09	0.65

Commodities

Index	Last Price	1D % Change	Index	Last Price	1D % Change
Kuwait Oil	65.55	-0.26	Dow Jones	33,874.85	-0.54
Brent	66.76	-1.90	Nikkei 225	28,812.63	-0.83
West Texas	63.58	-2.20	S&P 500	4,181.17	-0.72
Gold	1,769.13	-0.17	KuwaitSE	6,113.60	-0.29

Global Indices