

Highlights in the Foreign Exchange Market:

- Asian markets swung between gains and losses today as further concerns are arising on an expected escalation of trade tensions globally. Nikkei index gained 165 points during midmorning trade while Hang Seng index lost 190 points during midmorning trade. Wall Street however equities gained for the most part with the Nasdaq accumulating 56 points as of yesterday's session. The US dollar has strengthened as Treasury yields ticked higher and closing up to the 3% mark.
- The UK's House of Commons has voted by 319 to 303 to reject an amendment tabled by the House of Lords, which would have given parliament a boost on the final Brexit deal. The amendment tabled yesterday was itself a watered-down version of an amendment rejected last week. And yesterday's vote on the revised amendment was on a knife-edge because would-be rebels (i.e. members of the ruling Conservative party intending to vote against the government) were reported as saying the government had reneged on the agreement it made with them last week. The market is still uncertain on the path of the Brexit situation which is still weighing heavily on the Sterling Pound.
- The forum on Central Banking in Portugal included a panel of the major central banks' governors. Federal Reserve Chairman Jerome Powell maintained his position in keeping the economy on a sustainable path with support from his colleagues at Fed. A week after the Fed raised rates for the second time this year, Powell expresses his confidence by stating, "With unemployment low and expected to decline further, inflation close to our objective, and the risks to the outlook roughly balanced, the case for continued gradual increases in the federal funds is strong". ECB president Mario Draghi expressed that the ECB will remain patient in tightening policy further, explaining how the first post crisis rate hike was consistent with the goal of gradual movement. Rate hike expectations are now pushed back by three months to September 2019, following the ECB indicating that interest rates would remain unchanged at least through next summer.

Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1505	1.1540	1.1561	1.1615	1.1670
GBP	1.3080	1.3110	1.3153	1.3190	1.3230
JPY	109.30	109.85	110.62	110.90	111.40
CHF	0.9825	0.9890	0.9975	0.9990	1.0075

Brief Technical Commentary

Euro broke supports and currently trading below 1.1600 level. Short term is slightly bearish. However medium term outlook remains extremely bearish. 1.1500 will be a critical psychological and technical level for the pair. Any break of that will target 1.1300 level. On the upside, a break above 1.1670 will turn the outlook into neutral.

USDJPY is moving upward and found a support 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 keep the outlook bullish. On the downside, a break below 109.30 would turn the outlook to slightly negative.

Economic Events

Date	Country	Event	Actual	Forecast	Previous
18-Jun-18	EUR	ECB President Draghi Speaks	-	-	-
18-Jun-18	USD	FOMC Member Williams Speaks	-	-	-
19-Jun-18	AUD	Monetary Policy Meeting Minutes	-	-	-
19-Jun-18	USD	Building Permits	1.30M	1.35M	1.36M
19-Jun-18	USD	Housing Starts	1.35M	1.31M	1.29M
20-Jun-18	USD	Fed Chair Powell Speaks	-	-	-
20-Jun-18	JPY	BOJ Gov Kuroda Speaks	-	-	-
20-Jun-18	EUR	ECB President Draghi Speaks	-	-	-
21-Jun-18	CHF	SNB Press Conference	-	-	-
21-Jun-18	GBP	Official Bank Rate	-	0.50%	0.50%

All information has been sourced from Bloomberg

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GBPUSD
YTD Performance



10 Year US Treasury Yield
YTD Performance



Major Currencies

CCY	Closing Rate	YTD %
EUR/USD	1.1572	-3.7%
GBP/USD	1.3172	-2.7%
USD/JPY	110.36	1.82%
USD/CHF	0.9962	-2.3%

Major Crosses

CCY	Closing Rate	YTD %
EUR/GBP	0.8785	1.01%
GBP/JPY	145.37	4.61%
EUR/JPY	127.72	5.74%
EUR/CHF	1.15	1.45%

Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	0.00	1.75	2.00	2.19	2.50
USD	1.97	2.09	2.33	2.50	2.76
EUR	-0.43	-0.40	-0.36	-0.31	-0.24
GBP	0.49	0.50	0.63	0.75	0.94
CHF	-0.79	-0.79	-0.73	-0.64	-0.53
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	2.57	2.68	2.81	2.94	3.08
Germany	-0.65	-0.58	-0.27	0.37	1.14
United Kingdom	0.70	0.73	1.03	1.29	1.77
Japan	-0.14	-0.14	-0.12	0.03	0.71

Commodities

Index	Last Price	1D % Change
Kuwait Oil	71.71	1.77%
Brent	74.29	-0.60%
West Texas	65.46	-0.38%
Gold	1,265.06	-0.22%

Global Indices

Index	Last Price	1D % Change
Dow Jones	24,657.80	-0.17%
Nikkei 225	22,772.66	0.96%
S&P 500	2,767.32	0.17%
KuwaitSE	4,852.83	-0.23%