

Highlights in the Foreign Exchange Market:

- Oil prices reached multi-year highs this morning as traders adjusted to the prospects of renewed US sanctions against major crude exporter Iran. Iran currently produces about 4% of the world's oil and around 1 million barrels per day. Brent crude hit its strongest level since November 2014 above \$77.80 per on Thursday. US West Texas Intermediate also marked a November-2014 high, at \$71.75 a barrel at that time.
- The momentum of inflation on the producer level decelerated in April after recording robust readings in past three months. Industrial price growth inflated 2.6% annually last month, down from 3% seen in March. Excluding volatility caused from food and energy prices, core PPI rose 2.4%, from a 2.7% recorded in the previous month. That puts a slight dent into what has, over recent weeks, been a growing sense of confidence in the market and among Federal Reserve policymakers on the US inflation outlook. US Consumer price inflation is expected to be released later in the day.
- Furthermore, the latest downward trend on price growth, the slightly weaker figure may be temporary as manufacturers have been reporting higher expenditures on raw materials. The FED's preferred inflation indicator, the core PCE is currently at 1.9% and is expected to breach the 2% objective in the coming months. Even the US exit from the Iran nuclear deal is projected on having a minor impact on inflation. The dollar held firm and remained supported due to rises in US interest rates. The 10 year US bond yield broke the psychological 3% barrier yesterday before moving down to its current level of 2.9805%.

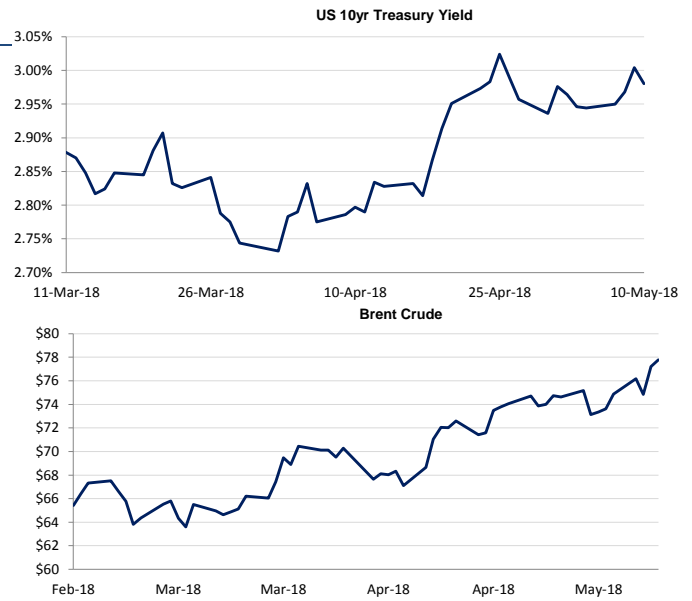


Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1750	1.1815	1.1866	1.1895	1.1930
GBP	1.3480	1.3530	1.3566	1.3610	1.3665
JPY	108.80	109.20	109.72	109.95	110.35
CHF	0.9950	0.9990	1.0035	1.0060	1.0110

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1850	(0.98)	EUR/GBP	0.8748	(1.51)
GBP/USD	1.3544	0.45	GBP/JPY	148.64	(2.01)
USD/JPY	109.74	(2.54)	EUR/JPY	130.04	(3.51)
USD/CHF	1.0050	3.02	EUR/CHF	1.1914	1.99

Major Crosses

Brief Technical Commentary

EUR/USD: The pair moved down to the 1.1821 level during Wednesday's trading session and currently trading at 1.1866. EUR Resistance is at (1.1895-1.1930) any break above targets 1.1980 and Support is at (1.1750-1.1815) any break below targets 1.1710. The pair is currently Bearish.

USD/JPY: The pair moved up to the 109.91 this morning and currently trading at 109.72. USD/JPY Resistance is at (109.95-110.35) any break above targets 111.20. The pair is currently Bullish.

Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	1.19	1.75	2.00	2.19	2.44
USD	1.75	1.93	2.36	2.52	2.77
EUR	-0.43	-0.40	-0.35	-0.32	-0.24
GBP	0.49	0.52	0.68	0.79	0.96
CHF	-0.80	-0.78	-0.72	-0.65	-0.52
AUD	1.42	1.82	1.92	2.07	2.20

Economic Events

Date	Country	Event	Actual	Forecast	Previous
8-May-18	USD	Fed Chair Powell Speaks	-	-	-
8-May-18	GBP	Halifax HPI m/m	-3.1%	-0.3%	1.5%
9-May-18	USD	PPI m/m	0.1%	0.2%	0.3%
9-May-18	USD	Core PPI m/m	0.2%	0.2%	0.3%
10-May-18	CNY	CPI y/y	-	1.9%	2.1%
10-May-18	CNY	PPI y/y	-	3.4%	3.1%
10-May-18	GBP	Manufacturing Production m/m	-	-0.2%	-0.2%
10-May-18	GBP	Official Bank Rate	-	0.50%	0.50%
10-May-18	USD	CPI m/m	-	0.3%	-0.1%
10-May-18	USD	Core CPI m/m	-	0.2%	0.2%

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	2.22	2.53	2.83	2.98	3.15
Germany	-0.69	-0.58	-0.07	0.55	1.24
United Kingdom	0.67	0.80	1.17	1.47	1.87
Japan	-0.14	-0.14	-0.11	0.04	0.73

Commodities

Index	Last Price	% Change	Index	Last Price	Change
Kuwait Oil	73.57	1.73	Dow Jones	24,542.54	182.33
Brent	78.59	(0.03)	Nikkei 225	22,497.18	(86.24)
West Texas	71.11	(0.14)	S&P 500	2,697.79	25.87
Gold	1,314.47	0.16	KuwaitSE	4,807.20	(7.35)

Global Indices

All information has been sourced from Reuters

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