



#### Highlights in the Foreign Exchange Market:

- The negative momentum in equities witnessed last week persists today as Asian stock markets are trading at multi-month lows. Escalating Sino-US tensions and President Trump's new tariff threats against Mexico may perhaps tip the global economy into a recession. All Asian equity indices are trading in the red zone and the Nikkei 225 is leading with losses of 190 points. In the currencies market, volatility seems to be low today, while markets await upcoming talks between Mexico and US officials. The aforementioned talks are aimed at averting a major trade clash after President Donald Trump promised to enforce penal tariffs on all Mexican goods in an intensifying dispute over migration.
- Last week, safe havens were the clear gainers. The Japanese yen was in demand throughout the week though the major gains came on Thursday after Trump's tariff announcement. The USD/JPY depreciated by 1% to 108.26. The Swiss franc was a bit more volatile due to its heavy exposure to Europe and initially lost value. Again, the story was the same with a rebound after Trump's comments. The USD/CHF closed near its open at 1.0008. Finally the USD, this year's safe haven of choice, also gained momentum beating out the euro and British pound almost hitting this year's high before rebounding lower on trade concerns. The US dollar index was 0.21% stronger at 97.758.
- Oil prices sank more than 1% today prolonging losses of over 3% from Friday's trading session, when oil markets endured their largest monthly losses in six months. Brent Crude is currently down by 1.26% at \$61.21.

#### Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1075	1.1115	1.1166	1.1215	1.1265
GBP	1.2540	1.2595	1.2645	1.2695	1.2745
JPY	107.15	107.70	108.19	108.70	109.20
CHF	0.9875	0.9925	0.9975	1.0025	1.0170

#### Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1167	(2.59)	EUR/GBP	0.8849	(1.76)
GBP/USD	1.2631	(0.82)	GBP/JPY	136.78	(2.22)
USD/JPY	108.2600	(1.86)	EUR/JPY	120.93	(4.22)
USD/CHF	1.0008	1.46	EUR/CHF	1.1179	(1.14)

#### Brief Technical Commentary

EUR/USD: The pair moved up to the 1.1179 level during Friday's trading session and currently trading at 1.1166 EUR/USD Resistance is at (1.1215-1.1265) any break above would take the pair up to 1.1375. Short term outlook is Bullish.

GBP/USD: The pair moved down to the 1.2557 level during Friday's trading session and currently trading at 1.2645 GBP/USD Resistance is at (1.2695-1.2745) any break above would take the pair up to 1.2870. Short term outlook is Bullish.

#### Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	2.13	2.44	2.69	2.88	3.13
USD	2.39	2.43	2.50	2.52	2.51
EUR	-0.45	-0.42	-0.34	-0.32	-0.23
GBP	0.70	0.73	0.80	0.87	1.00
CHF	-0.82	-0.81	-0.71	-0.66	-0.53
AUD	1.17	1.37	1.40	1.41	1.51

#### Economic Events

Date	Country	Event	Actual	Forecast	Previous
3-Jun-19	CNY	Caixin Manufacturing PMI	50.2	50.0	50.2
3-Jun-19	GBP	Manufacturing PMI	-	52.5	53.1
3-Jun-19	USD	SM Manufacturing PMI	-	53.0	52.8
4-Jun-19	AUD	Retail Sales m/m	-	0.2%	0.3%
4-Jun-19	AUD	Cash Rate	-	1.25%	1.50%
4-Jun-19	EUR	CPI Flash Estimate y/y	-	1.4%	1.7%
5-Jun-19	AUD	GDP q/q	-	0.4%	0.2%
5-Jun-19	USD	ISM Non-Manufacturing PMI	-	55.6	55.5
6-Jun-19	EUR	Main Refinancing Rate	-	0.00%	0.00%
7-Jun-19	USD	Non-Farm Employment Change	-	180K	263K

#### Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	2.21	1.85	1.86	2.08	2.54
Germany	-0.62	-0.68	-0.59	-0.21	0.42
United Kingdom	0.62	0.57	0.62	0.87	1.46
Japan	-0.17	-0.18	-0.20	-0.10	0.45

#### Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	60.49	(5.60)	Dow Jones	24,815.04	(1.41)
Brent	61.99	(5.11)	Nikkei 225	20,410.88	(0.92)
West Texas	53.00	(0.50)	S&P 500	2,752.06	(1.32)
Gold	1,314.36	0.70	KuwaitSE	5,725.64	(0.11)

All information has been sourced from Reuters.

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