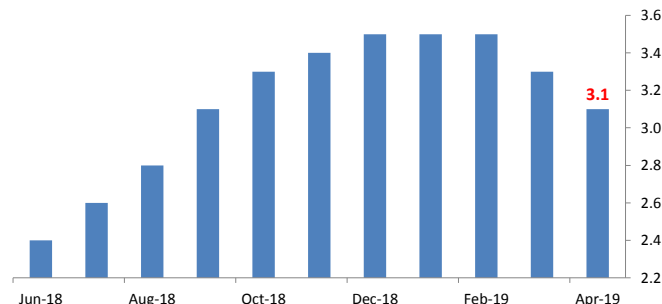


#### UK Wage Growth (%)

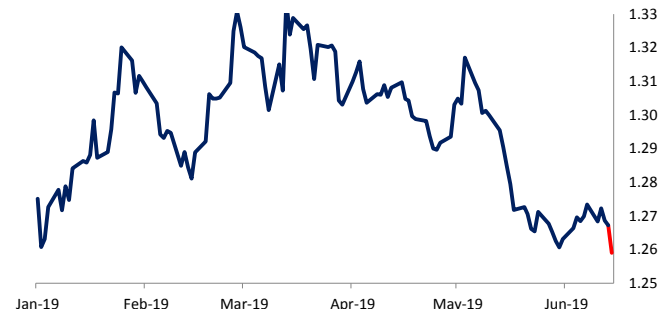
1 Year Performance



#### Highlights in the Foreign Exchange Market:

- Hundreds of US companies and trade associations have written to the US President requesting that he does not impose new tariffs on Chinese goods. The letter that included signatories such as Walmart, Target, Ikea, and J Crew urged Trump not to go ahead with the new tariffs. Titled "tariffs hurt the heartland", the letter cited figures from Trade Partnership Worldwide that claim the new tariffs could result in the loss of two million jobs, add more than \$2,000 in costs for the average American family of four, and reduce the value of US gross domestic product by 1 percent. Moving forward, the US and China will most likely have a bilateral meeting at the G20 summit, though no official confirmations were provided.
- In the race for Britain's next Prime Minister, Boris Johnson has emerged as the favorite where he topped the first round of voting in the Conservative leadership contest with the support of 114 Tory MPs. Swiping the field by polling more votes than the next three contenders combined, the Eurosceptic former Foreign Secretary said "I am delighted to win the first ballot, but we have a long way to go." It is worth mentioning that Boris Johnson is keeping open the possibility that Britain will leave the EU on October 31 in a no-deal Brexit. The next round of voting among MPs will take place on Tuesday the 18th of June where candidates will require 32 supporters to stay in the race. Further rounds will then have to take place until only two contenders remain.
- In terms of economic indicators, UK wage growth data came in higher than anticipated for April as regular pay (excluding bonuses) rose by 3.4% and 0.2% higher than the market's consensus. The unemployment was stagnant at 3.8% and in-line with the market. The labor market data is providing some relief to the GBP after a poor GDP figure from Monday where the GDP fell by 0.4%. The Sterling had rebounded from a one week low of 1.2653 reached on Monday to a high of 1.2744 following the release of the labor market and despite the weaker GDP. The Sterling however took a stumble on Wednesday after Theresa May's Government defeated a Labor Party bid to Prevent the UK from leaving the EU, the Cable closed Friday's session at 1.2595.

#### GBP/USD YTD Performance



#### Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1015	1.1110	1.1207	1.1310	1.1405
GBP	1.2395	1.2490	1.2590	1.2690	1.2795
JPY	106.65	107.55	108.55	109.50	110.55
CHF	0.9785	0.9880	0.9989	1.0085	1.0175

#### Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1207	(2.28)	EUR/GBP	0.8902	(0.91)
GBP/USD	1.2590	(1.31)	GBP/JPY	136.66	(2.41)
USD/JPY	108.5500	(1.55)	EUR/JPY	121.69	(3.59)
USD/CHF	0.9989	1.73	EUR/CHF	1.1196	(0.52)

#### Major Crosses

#### Brief Technical Commentary

EUR/USD: The pair moved down to the 1.1200 level during Friday's trading session and closed for the week at 1.1207 EUR/USD Resistance is at (1.1310-1.1405) any break above would take the pair up to 1.1535. Short term outlook is Neutral.

GBP/USD: The pair moved down to the 1.2578 level during Friday's trading session and closed for the week at 1.2590 GBP/USD Resistance is at (1.2690-1.2795) any break above would take the pair up to 1.2875. Short term outlook is Neutral.

#### 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	2.37	2.38	2.40	2.28	2.25
EUR	-0.45	-0.42	-0.36	-0.34	-0.25
GBP	0.70	0.73	0.79	0.87	0.98
CHF	-0.81	-0.80	-0.71	-0.67	-0.55
AUD	1.20	1.25	1.25	1.30	1.30

#### Economic Events

Date	Country	Event	Actual	Forecast	Previous
17-Jun-19	EUR	ECB President Draghi Speaks			
18-Jun-19	AUD	Monetary Policy Meeting Minutes			
18-Jun-19	GBP	BOE Gov Carney Speaks			
19-Jun-19	GBP	CPI y/y		2.0%	2.1%
19-Jun-19	CAD	CPI m/m		0.1%	0.4%
19-Jun-19	USD	FOMC Statement			
19-Jun-19	USD	Federal Funds Rate		<2.50%	<2.50%
20-Jun-19	NZD	GDP q/q			0.6%
20-Jun-19	JPY	Monetary Policy Statement			
20-Jun-19	GBP	Retail Sales m/m		-0.5%	0.0%

#### Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	2.00	1.84	1.83	2.08	2.59
Germany	-0.64	-0.71	-0.60	-0.26	0.32
United Kingdom	0.67	0.58	0.62	0.84	1.43
Japan	-0.19	-0.21	-0.24	-0.14	0.36

#### Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	61.33	0.48	Dow Jones	26,089.61	(0.07)
Brent	0.00	0.00	Nikkei 225	21,116.89	0.40
West Texas	0.00	0.00	S&P 500	2,886.98	(0.15)
Gold	1,341.33	(0.05)	KuwaitSE	5,853.13	(0.66)

#### Global Indices

All information has been sourced from Reuters.

This Treasury Newsletter is a publication of the National Bank of Kuwait ("NBK"). Although the information in this document has been prepared in good faith and from sources which we believe to be reliable, we do not represent or warrant its accuracy and such information may not necessarily represent the actual market data. NBK accepts no liability whatsoever for any loss or damage arising from the use of this document or reliance on the information contained herein. NBK will not be responsible for the consequence of reliance upon any opinion or statement contained herein.

For further information or discussion, please contact the Treasury Services Desk on TSD\_LIST@NBK.COM or +965 2221 6603 (TELEX : 46811 - FAX +965 2241 9720).