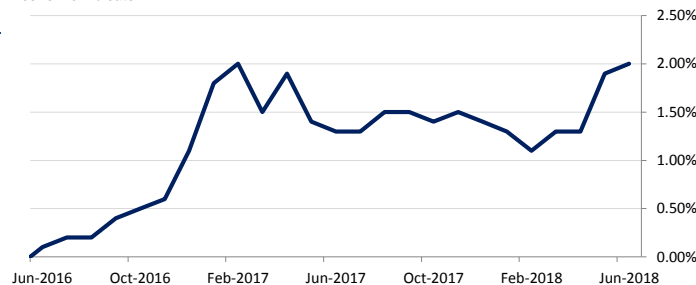


Highlights in the Foreign Exchange Market:

- Asian equities had mixed performances today. The Nikkei index was down by 18 points to reach 22,775 during midmorning trade. In Wall Street however, equities rose close to record highs spurred by strong earnings in the financial sector. The Dow Jones and S&P 500 closed yesterday's trading session up by 0.32% and 0.22% respectively.
- Inflation in the UK continued to weaken, with the latest figure indicating that the annual change in the consumer price index stagnated at 2.4% for the second straight month. The figure, the lowest in more than a year, cast a doubt over whether the BOE will charge ahead with their second rate hike of 2018. British policy makers are likely to reconsider whether the economy is ready for an interest rate rise as low unemployment has not led to rising domestic inflation. The release of the figure instigated a sharp drop in the pound, which reached a level not seen in 10 months (1.3008). Afterwards however, the pound retreated back to its pre-release level as markets digested the news.
- Annual inflation rose to 2.0% for the Euro Zone in June, up from 1.9% in May 2018. Excluding rises in prices for energy and unprocessed food, annual inflation came in at 1.2%, pointing to volatile energy prices as the main driver behind the rise. The ECB announced last month it plans to end its 2.6 trillion euro bond-buying program at the end of the year, and to keep interest rates at their current level "through the summer of 2019". Given that data has come in favor of the ECB's plans, investors anticipate the next hike will occur during the fourth quarter of 2019.

EU CPI y/y
Economic Indicator



UK CPI y/y
Economic Indicator

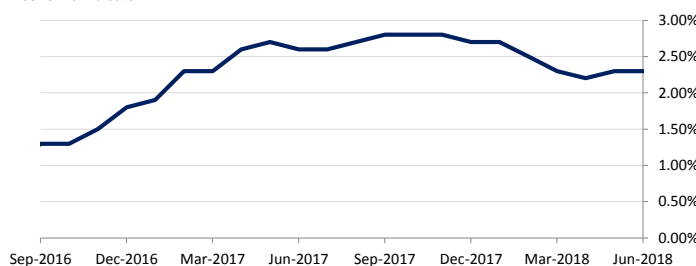


Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1545	1.1595	1.1647	1.1700	1.1755
GBP	1.2975	1.3025	1.3075	1.3125	1.3175
JPY	111.75	112.25	112.72	113.25	113.75
CHF	0.9885	0.9935	0.9988	1.0040	1.0090

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1639	-2.98	EUR/GBP	0.8905	(0.30)
GBP/USD	1.3069	-3.23	GBP/JPY	147.51	3.27
USD/JPY	112.86	-0.04	EUR/JPY	131.34	3.03
USD/CHF	0.9990	-2.48	EUR/CHF	1.16	0.57

Major Crosses

Brief Technical Commentary

EUR/USD: The pair moved down to the 1.1600 level during Wednesday's trading session and currently trading at 1.1647 EUR/USD Support is at (1.1505-1.1545) any break below targets 1.1315 Short term outlook is neutral. However, medium term outlook remains bearish.

USD/JPY: The pair moved up to the 112.87 level during Wednesday's trading session and currently trading at 112.72 USD/JPY Resistance is at (113.75-113.95) any break above targets 114.75 Short term outlook is neutral. However medium term outlook remains bullish.

Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	0.00	1.81	2.06	2.25	2.56
USD	1.95	2.08	2.34	2.52	2.80
EUR	-0.43	-0.40	-0.36	-0.32	-0.23
GBP	0.48	0.58	0.76	0.86	1.02
CHF	-0.80	-0.78	-0.72	-0.65	-0.51
AUD	2.78	2.87	2.96	3.06	3.34

Economic Events

Date	Country	Event	Actual	Forecast	Previous
15-Jul-18	CNY	GDP q/y	6.7%	6.7%	6.8%
16-Jul-18	USD	Core Retail Sales m/m	0.4%	0.4%	0.9%
16-Jul-18	USD	Retail Sales m/m	0.5%	0.4%	0.8%
16-Jul-18	NZD	CPI q/q	0.4%	0.5%	0.5%
16-Jul-18	AUD	Monetary Policy Meeting Minutes	-	-	-
17-Jul-18	GBP	BOE Gov Carney Speaks	-	-	-
17-Jul-18	GBP	Average Earnings Index 3m/y	2.5%	2.5%	2.5%
17-Jul-18	USD	Fed Chair Powell Testifies	-	-	-
18-Jul-18	GBP	CPI y/y	2.3%	2.6%	2.4%
18-Jul-18	USD	Building Permits	1.27M	1.33M	1.35M

Government Yields

Country	2-Year	3-Year	5-Year	10-Year	30-Year
United States	2.62	2.70	2.78	2.89	3.00
Germany	-0.65	-0.59	-0.31	0.34	1.01
United Kingdom	0.73	0.75	0.98	1.22	1.70
Japan	-0.14	-0.13	-0.11	0.03	0.68

Commodities

Index	Last Price	1D % Change	Index	Last Price	1D % Change
Kuwait Oil	69.17	-2.40	Dow Jones	25,199.29	0.32
Brent	72.83	-0.10	Nikkei 225	22,778.18	-0.07
West Texas	68.82	0.09	S&P 500	2,815.62	0.22
Gold	1,224.83	-0.22	KuwaitSE	4,950.43	-0.13

All information has been sourced from Bloomberg

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For further information or discussion, please contact the Treasury Services Desk on TSD_LIST@NBK.COM or +965 2221 6603 FAX +965 2241 9720.