



#### Highlights in the Foreign Exchange Market:

- China's onshore renminbi fell to its weakest level since November 2018 against the US dollar at around the 6.935 level. The downfall comes following comments by the country's central bank that the currency may be prone to further descents as Yi Gang - the governor of the People's Bank of China - claimed there was no "numerical number" representing a red line on the currency's exchange rate. The fear is that authorities will allow the pair to go beyond the 7.0 handle sooner than expected. The currency's movement going forward will heavily depend on the likelihood of a resolution in trade tensions between the world's top two economies. Hopes are now pinned on the G20 meeting in Osaka this month for US President Donald Trump and Chinese leader Xi Jinping to reach a breakthrough.
- Stocks in the US and Asia climbed following US President Trump's declaration of a deferral in his plans for tariffs on Mexico. Trump announced late on Friday that he would not impose tariffs on goods from Mexico from 5% to 25% after the nation agreed to take a tougher stance on immigration. Demand for safe havens sank as treasuries dropped and the yen retreated, while oil prices rose. Fed chair Jerome Powell had announced earlier in the week that the central bank stood ready to cut interest rates, saying it would "act as appropriate to sustain the expansion."
- Oil prices rose on the likelihood of ongoing oil supply cuts after statements made by OPEC's biggest producer Saudi Arabia, saying that the group was close to agreeing on an extension to the current cuts. OPEC has withheld supply since the beginning of the year in an effort to prop oil prices. The sustainability of the recent climb will depend heavily on global demand moving forward as concerns remain high regarding the health of the global economy due mainly to trade tensions. Brent crude rose 3.8% this past week to \$63.66, while the West Texas Intermediate rose 1.3% in the same period to the \$53.95 level seen today.

#### Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1205	1.1255	<b>1.1305</b>	1.1355	1.1410
GBP	1.2610	1.2660	<b>1.2703</b>	1.2755	1.2805
JPY	107.60	108.10	<b>108.64</b>	109.10	109.65
CHF	0.9810	0.9860	<b>0.9908</b>	0.9960	1.0010

#### Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1331	(1.46)	EUR/GBP	0.8899	(0.98)
GBP/USD	1.2734	(0.43)	GBP/JPY	137.81	(1.45)
USD/JPY	108.1800	(1.46)	EUR/JPY	122.60	(2.72)
USD/CHF	0.9876	0.96	EUR/CHF	1.1193	(0.49)

#### Major Crosses

#### Brief Technical Commentary

EUR/USD: The pair moved up to the 1.1347 level during Friday's trading session and currently trading at 1.1305 EUR/USD Resistance is at (1.1355-1.1410) any break above would take the pair up to 1.1535. Short term outlook is Bullish.

GBP/USD: The pair moved up to the 1.2762 level during Friday's trading session and currently trading at 1.2703 GBP/USD Resistance is at (1.2755-1.2805) any break above would take the pair up to 1.2970. 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	2.38	2.41	2.45	2.37	2.35
EUR	-0.46	-0.42	-0.37	-0.33	-0.23
GBP	0.70	0.72	0.78	0.87	0.98
CHF	-0.82	-0.80	-0.71	-0.66	-0.53
AUD	1.33	1.25	1.49	1.50	1.53

#### Economic Events

Date	Country	Event	Actual	Forecast	Previous
10-Jun-19	CNY	Trade Balance	279B	136B	94B
10-Jun-19	GBP	GDP m/m	-	-0.1%	-0.1%
10-Jun-19	GBP	Manufacturing Production m/m	-	-1.1%	0.9%
11-Jun-19	GBP	Average Earnings Index 3m/y	-	2.9%	3.2%
11-Jun-19	GBP	Unemployment Rate	-	3.8%	3.8%
11-Jun-19	USD	Core PPI m/m	-	0.2%	0.1%
12-Jun-19	USD	Core CPI m/m	-	0.2%	0.1%
13-Jun-19	CHF	Labor Rate	-	-0.75%	-0.75%
14-Jun-19	CNY	Industrial Production y/y	-	5.4%	5.4%
14-Jun-19	USD	Retail Sales m/m	-	0.7%	-0.2%

#### Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	1.97	1.90	1.89	2.12	2.60
Germany	-0.62	-0.68	-0.60	-0.25	0.34
United Kingdom	0.59	0.52	0.57	0.81	1.40
Japan	-0.19	-0.20	-0.24	-0.13	0.36

#### Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	62.04	1.94	Dow Jones	25,983.94	1.02
Brent	61.99	(5.11)	Nikkei 225	21,156.53	1.30
West Texas	54.34	0.35	S&P 500	2,873.34	1.05
Gold	1,327.45	(0.96)	KuwaitSE	5,837.20	1.26

All information has been sourced from Reuters.

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