

Highlights in the Foreign Exchange Market:

- Asian stocks rebounded as bonds stabilized with investors deeming the market reactions to Italy's political turmoil as overdone. The Nikkei index gained 0.83% to reach 22,201.82 during midmorning trade. Wall Street equities closed yesterday's session with substantial gains with Dow Jones and S&P 500 edging up by 1.26% and 1.27% respectively. It's worth noting that year-to-date performance for Dow Jones is in negative figures, however the Nasdaq has advanced by 8.10% as tech companies continue to shine.
- Similarly the FX markets also rebounded. The euro made strong gains as Italian leaders moved to mitigate political turbulence and avoid a potentially disruptive early election. The Pound Sterling also recovered on Wednesday from a six-month low the previous day while the US dollar index fell 1% in reaction.
- The Commerce Department on Wednesday revised the US economy's growth in the first quarter slightly lower, with consumer spending contributing less than previously reported. Gross domestic product, the value of every good and service produced within the US, grew at an annualized rate of 2.2%, slowing from 2.9% in the fourth quarter. Economists had forecast that headline GDP would be unrevised at 2.3%.
- The Bank of Canada left its policy rate unchanged at 1.25%. The Governing Council stated that higher interest rates will be justified. However, unlike other recent statements the Bank dropped phrases that inserted a note of caution into policy deliberations. In particular, the statement mentioned the phrase that "some monetary policy accommodation will still be needed," while leaving out the statement that it would be "cautious with respect to future policy adjustments."

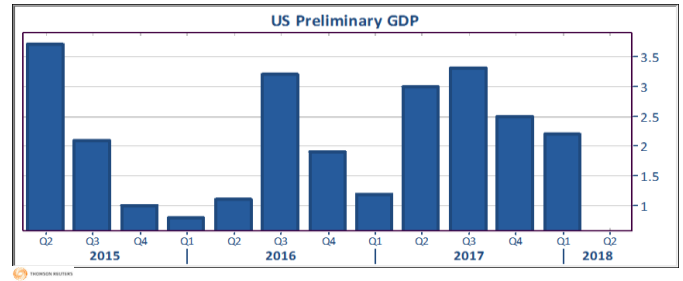
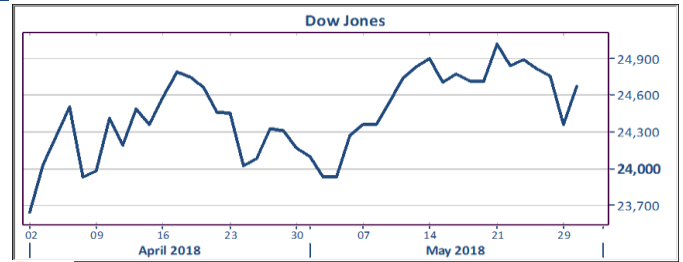


Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1560	1.1645	1.1690	1.1745	1.1790
GBP	1.3205	1.3270	1.3325	1.3375	1.3420
JPY	107.60	108.30	108.70	109.25	109.80
CHF	0.9775	0.9820	0.9882	0.9935	0.9985

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1661	(2.38)	EUR/GBP	0.8778	(1.14)
GBP/USD	1.3289	(1.33)	GBP/JPY	144.70	(4.66)
USD/JPY	108.90	(3.46)	EUR/JPY	127.01	(5.77)
USD/CHF	0.9890	1.32	EUR/CHF	1.1533	(1.10)

Major Crosses

Brief Technical Commentary

EUR/USD: The pair moved up to the 1.1698 level this morning and currently trading at 1.1690. EUR Resistance is at (1.1745-1.1790) any break above targets 1.1830 and Support is at (1.1560-1.1645) any break below targets 1.1505. The pair is currently Neutral.

USD/JPY: The pair moved down to the 109.08 level during Wednesday's trading session and currently trading at 108.70. USD/JPY Resistance is at (109.25-109.80) any break above targets 110.35 and Support is at (107.60-108.30) any break below targets 107.20. The pair is currently Neutral.

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	1.98	2.30	2.47	2.70
EUR	-0.42	-0.40	-0.35	-0.31	-0.23
GBP	0.49	0.49	0.60	0.72	0.87
CHF	-0.80	-0.80	-0.74	-0.65	-0.53
AUD	1.55	2.06	2.06	2.06	2.24

Economic Events

Date	Country	Event	Actual	Forecast	Previous
29-May-18	USD	CB Consumer Confidence	128.0	128.2	128.7
30-May-18	EUR	German Retail Sales m/m	2.3%	0.5%	-0.6%
30-May-18	JPY	BoJ Kuroda Speaks	-	-	-
30-May-18	USD	ADP Non Farm Payrolls	178K	186K	204K
30-May-18	USD	Prelim GDP q/q	2.2	2.3%	2.3%
31-May-18	CNY	Manufacturing PMI	-	51.4	51.4
31-May-18	EUR	CPI Flash Estimate y/y	-	1.6%	1.2%
1-Jun-18	GBP	Manufacturing PMI	-	53.5	53.9
1-Jun-18	USD	Average Hourly Earnings	-	0.3%	0.1%
1-Jun-18	USD	Non-Farm Payrolls	-	190K	164K

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	2.18	2.42	2.70	2.87	3.04
Germany	-0.69	-0.67	-0.23	0.41	1.11
United Kingdom	0.53	0.65	0.98	1.28	1.73
Japan	-0.15	-0.15	-0.13	0.03	0.71

Commodities

Index	Last Price	% Change	Index	Last Price	Change
Kuwait Oil	74.43	2.49	Dow Jones	24,361.45	(391.64)
Brent	76.18	(0.03)	Nikkei 225	22,018.52	(339.91)
West Texas	68.24	0.00	S&P 500	2,724.01	34.15
Gold	1,305.21	0.32	KuwaitSE	4,750.06	5.68

All information has been sourced from Reuters

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