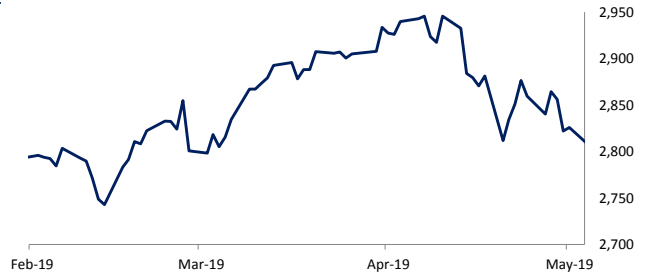


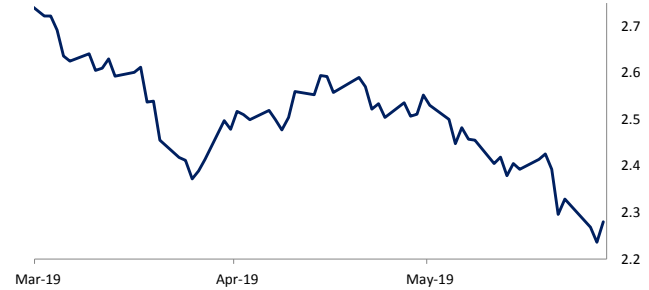
#### Highlights in the Foreign Exchange Market:

- Global stocks continued to decline this morning as the latest exchanges between Beijing and Washington signaled a heightened risk of a prolonged trade war, fueling investor concerns about the impact on global economic growth. "We oppose a trade war but are not afraid of a trade war," and this is "economic terrorism" said Chinese vice Foreign Minister Zhang Hanhui when asked about the subject. The Shanghai Composite Index fell 0.7%, Hong Kong's Hang Seng lost 0.4%, and Japan's Nikkei was down 0.5%. In the US, the S&P and Dow Jones were both down 0.7% and 0.87% respectively.
- The heightened concerns and fall in equities lead to a rush towards government bonds. Germany's 10-year bond yield fell to a three-year low of -0.179%. Spanish and Portuguese yields also followed to record lows. Finally in the US, the 10-year U.S. Treasury yield stood at 2.274% after falling to a 20-month low of 2.210% on Wednesday.
- The Bank of Canada has held interest rates steady at 1.75%, claiming current rates remain "appropriate" as the bank continues to monitor economic developments. In April, the bank cut its forecast for the first half of 2019 to 1.2% from 1.7%, citing economic challenges formed by high levels of household debt, low oil prices, and ongoing trade tensions between the US and China. The bank suggests that the weakness seen in the past two quarters are temporary, evident by strong job growth and a recent pickup in consumer spending and exports in the second quarter. The BOC expects inflation to remain at the bank's 2% target in coming months. The Canadian dollar fell to a five month low of 1.35 against the US dollar.

S&P 500  
3-Month Performance



10yr Treasury Yield  
3-Month Performance



#### Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1025	1.1075	1.1135	1.1185	1.1235
GBP	1.2525	1.2575	1.2632	1.2685	1.2735
JPY	108.70	109.25	109.73	110.25	110.85
CHF	0.9975	1.0020	1.0077	1.0130	1.0180

#### Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1129	0.00	EUR/GBP	0.8812	(1.84)
GBP/USD	1.2625	(1.07)	GBP/JPY	138.37	(1.04)
USD/JPY	109.5800	(0.43)	EUR/JPY	121.97	0.00
USD/CHF	1.0075	0.00	EUR/CHF	1.1222	(0.21)

#### Brief Technical Commentary

EUR/USD: The pair moved down to the 1.1122 level during Wednesday's trading session and currently trading at 1.1135 EUR/USD Support is at (1.1025-1.1075) any break below would take the pair down to 1.0830. Short term outlook is Bearish.

GBP/USD: The pair moved down to the 1.2610 level during Wednesday's trading session and currently trading at 1.2632 GBP/USD Support is at (1.2525-1.2575) any break below would take the pair down to 1.2435. Short term outlook is Bearish.

#### 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	2.44	2.52	2.52	2.57
EUR	-0.45	-0.42	-0.35	-0.32	-0.22
GBP	0.70	0.73	0.79	0.89	1.00
CHF	-0.81	-0.80	-0.71	-0.66	-0.52
AUD	1.22	1.43	1.44	1.47	1.54

#### Economic Events

Date	Country	Event	Actual	Forecast	Previous
26-May-19	EUR	European Parliamentary Elections			
26-May-19	JPY	BOJ Gov Kuroda Speaks			
28-May-19	USD	CB Consumer Confidence	134.1	130.1	129.2
29-May-19	CAD	Bank of Canada Meeting			
30-May-19	USD	Preliminary GDP q/q		3.1%	3.2%
31-May-19	USD	Treasury Currency Report			
31-May-19	CNY	Manufacturing PMI		49.9	50.1
31-May-19	EUR	German Preliminary CPI		0.3%	1.0%
31-May-19	USD	Core PCE Price Ir m/m		0.2%	0.0%
31-May-19	CAD	GDP m/m			-0.1%

#### Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	2.29	2.12	2.09	2.28	2.70
Germany	-0.60	-0.65	-0.55	-0.16	0.48
United Kingdom	0.64	0.60	0.67	0.92	1.52
Japan	-0.17	-0.17	-0.19	-0.09	0.48

#### Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	68.41	1.08	Dow Jones	25,126.41	(0.87)
Brent	69.76	0.31	Nikkei 225	20,942.53	(0.29)
West Texas	59.39	0.58	S&P 500	2,783.02	(0.69)
Gold	1,276.02	(0.25)	KuwaitSE	5,710.02	0.63

All information has been sourced from Reuters.

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