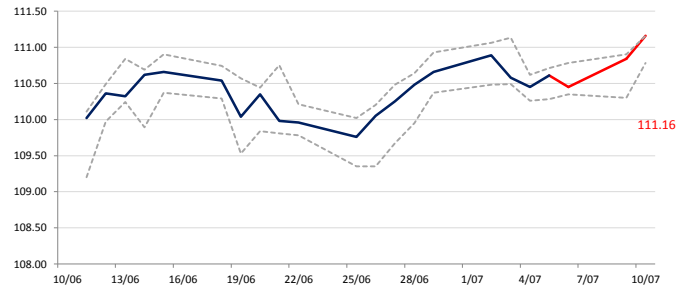


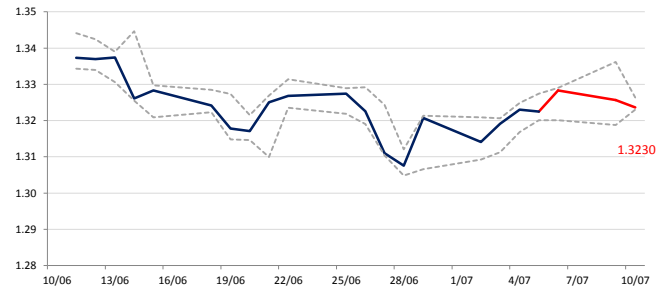
#### Highlights in the Foreign Exchange Market:

- Bank of Japan Governor Haruhiko Kuroda maintained his optimism despite a recent downswing in business sentiment. On Monday, Mr. Kuroda said that the Japanese economy is expected to continue its moderate expansion. While suggesting that he is not in a hurry to take further monetary easing measures, he reiterated his commitment to keeping ultra-easy monetary policy until inflation reaches the BOJ's 2 percent target. "Japan's economy is moderately expanding as a positive cyclical mechanism operates from income to spending," he said at a meeting of the BOJ's regional branch managers.
- In a meeting with the European parliament, ECB's Mario Draghi delivered a bullish assessment of the Eurozone's economic prospects. He said that the Policymakers aggressive monetary easing, including the landmark quantitative easing program, has been "very effective" and will boost growth and inflation by 1.9 percentage points between 2016 and 2020. Draghi did however pointed out that they needed to be patient, persistent and prudent in their policy to insure that inflation remains on a sustained adjustment path.
- The British government faced a crisis this week as Brexit Secretary David Davis and Foreign Secretary Boris Johnson resigned in reaction to Prime Minister May's Brexit proposal. The plan involves a UK-EU free trade area which will implement identical regulations for certain sectors as PM May attempts a "soft" Brexit. Given the clear divide amongst the cabinet members, and PM May's leadership under renewed pressure, the pressure on the Pound intensifies.

USD/JPY  
1-Month Performance



GBP/USD  
1-Month Performance



#### Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1645	1.1690	1.1743	1.1790	1.1855
GBP	1.3135	1.3185	1.3234	1.3295	1.3360
JPY	110.15	110.60	111.14	111.75	112.15
CHF	0.9825	0.9875	0.9923	0.9975	1.0025

#### Brief Technical Commentary

EUR/USD: The pair moved up to the 1.1790 level during Monday's trading session and currently trading at 1.1743 EUR/USD Support is at (1.1625-1.1645) any break below targets 1.1500. Short term outlook is slightly bearish and any move up should be limited to 1.1855. However, medium term outlook remains bearish.

USD/JPY: The pair moved up to the 110.90 level during Monday's trading session and currently trading at 111.14 USD/JPY Resistance is at (112.15-112.35) any break above targets 113.35. Short term and medium term outlook remains bullish.

#### Economic Events

Date	Country	Event	Actual	Forecast	Previous
9-Jul-18	JPY	BOJ Goc Kuroda Speaks			
9-Jul-18	EUR	ECB President Draghi Speaks			
10-Jul-18	CNY	CPI y/y	1.9%	1.9%	1.8%
10-Jul-18	GBP	Manufacturing Production m/m		1.0%	-1.4%
11-Jul-18	CAD	Overnight Rate		1.50%	1.50%
11-Jul-18	GBP	BOE Gov Carney Speaks			
12-Jul-18	USD	CPI m/m		0.2%	0.2%
12-Jul-18	USD	Core CPI m/m		0.2%	0.2%
12-Jul-18	USD	Unemployment Claims		227K	231K
13-Jul-18	CNY	Trade Balance		183B	157B

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).

#### Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1749	(2.3)	EUR/GBP	0.8862	(0.15)
GBP/USD	1.3257	(2.95)	GBP/JPY	146.96	(3.27)
USD/JPY	110.84	(1.34)	EUR/JPY	130.24	(3.45)
USD/CHF	0.9913	1.88	EUR/CHF	1.1650	(0.29)

#### Major Crosses

#### Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	1.19	1.75	2.00	2.19	2.50
USD	1.97	2.09	2.33	2.51	2.77
EUR	-0.42	-0.40	-0.36	-0.31	-0.24
GBP	0.48	0.53	0.71	0.83	1.00
CHF	-0.79	-0.77	-0.73	-0.65	-0.52
AUD	1.45	2.20	2.37	2.35	2.30

#### Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	2.32	2.56	2.76	2.87	2.97
Germany	-0.70	-0.68	-0.29	0.30	1.02
United Kingdom	0.68	0.73	1.03	1.27	1.71
Japan	-0.14	-0.13	-0.12	0.03	0.68

#### Commodities

Index	Last Price	% Change	Index	Last Price	Change
Kuwait Oil	75.92	1.32	Dow Jones	24,776.59	320.11
Brent	76.87	(0.03)	Nikkei 225	22,273.46	(239.73)
West Texas	73.88	(0.14)	S&P 500	2,784.17	24.35
Gold	1,257.60	0.02	KuwaitSE	5,131.22	(1.74)

#### Global Indices