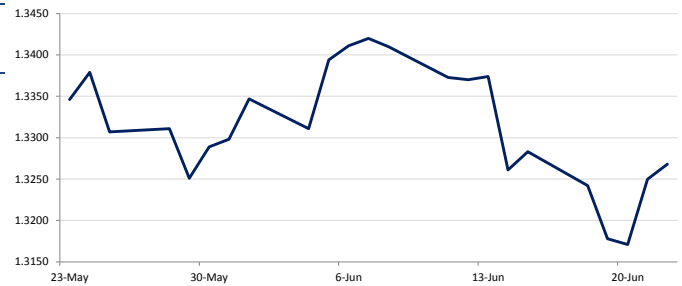


Highlights in the Foreign Exchange Market:

- The Dollar managed to gain as much as 0.81% towards the end of the week. Yet the escalating trade tensions between the US and China managed to wipe the gains amid softer than expected housing data and sent the currency falling and closing the week at 94.517.
- The cable traded with high volatility last week losing up to 1.34%, reaching a low of 1.3102 on Thursday before the BOE's meeting. The increased tensions and uncertainty on the never-ending Brexit situation have weighed heavily on the currency, yet the hawkish MPC and improved interest rate hike probabilities for the upcoming weeks managed to reverse Thursday's losses. The currency closed the week at 1.3272
- On the monetary front, the MPC at the Bank of England voted by 6-3 in favor of keeping interest rates steady at 0.50% in their latest meeting last Thursday. The MPC also voted unanimously to keep QE and corporate bond holdings unchanged. As was the case in May, the minutes suggest the MPC is relaxed about the recent weakness of the data. It left its forecast for Q2 GDP growth unchanged at 0.4%. The market is currently pricing a 70% probability for a hike in the upcoming August meeting.
- Looking at euro-zone economic indicators, positive PMI figures surfaced on Friday showcasing growth potential for the services and manufacturing sectors in the euro-zone. The services sector shined with a 55 reading where the market's forecast was at 53.7. Manufacturing, on the other hand, had a reading of 55 consistent with the consensus of the market. The upbeat data helped continue the sharp reversal of losses on the currency which occurred at the start of the week when the euro almost broke the 1.15 level on Thursday. The single currency closed the week at 1.1655.

GBPUSD
1-Month Performance



EURUSD
1-Month Performance

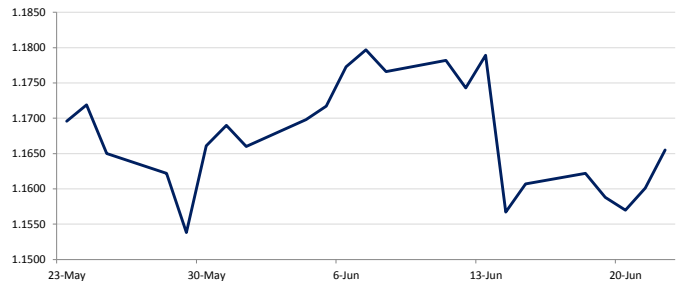


Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1370	1.1520	1.1643	1.1710	1.1830
GBP	1.3015	1.3150	1.3261	1.3325	1.3500
JPY	107.50	109.05	109.97	110.65	111.70
CHF	0.9698	0.9785	0.9875	0.9940	1.0030

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1655	(2.84)	EUR/GBP	0.8788	(1.11)
GBP/USD	1.3268	(1.78)	GBP/JPY	145.83	(4.13)
USD/JPY	109.96	(2.41)	EUR/JPY	128.16	(5.19)
USD/CHF	0.9878	1.39	EUR/CHF	1.1514	(1.50)

Major Crosses

Brief Technical Commentary

Euro broke resistance and currently trading below 1.1640 level. Short term is slightly bearish. However medium term outlook remains extremely bearish. 1.1500 will be a critical psychological and technical level for the pair. Any break of that will target 1.1300 level. On the upside, a break above 1.1670 will turn the outlook into neutral.

USDJPY is moving upward and found support around 110.00 level. Short term outlook is neutral. However, general strength in USD across the board is observed for the long run. Trading above 110.00 level would keep the outlook bullish. On the downside, a break below 109.30 would turn the outlook to slightly negative.

Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	1.19	1.75	2.00	2.25	2.50
USD	1.99	2.10	2.34	2.51	2.78
EUR	-0.43	-0.40	-0.37	-0.32	-0.23
GBP	0.48	0.50	0.66	0.78	0.97
CHF	-0.79	-0.78	-0.73	-0.64	-0.52
AUD	1.35	2.20	2.21	2.24	2.20

Economic Events

Date	Country	Event	Actual	Forecast	Previous
27-Jun-18	USD	Crude Oil Inventories	-	-	-5.9M
27-Jun-18	USD	Core Durable Goods Orders	-	0.5%	0.9%
27-Jun-18	GBP	BOE Financial Stability Report	-	-	-
27-Jun-18	GBP	BOE Gov Carney Speaks	-	-	-
27-Jun-18	EUR	M3 Money Supply y/y	-	3.8%	3.9%
27-Jun-18	CHF	Credit Suisse Economic Exp	-	-	28
26-Jun-18	USD	CB Consumer Confidence	-	127.6	128
26-Jun-18	GBP	MPC McCafferty Speaks	-	-	-
26-Jun-18	GBP	MPC Member Haskel Speaks	-	-	-
25-Jun-18	EUR	German Ifo Business Climate	-	101.9	102.2

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	2.32	2.54	2.77	2.89	3.04
Germany	-0.74	-0.70	-0.30	0.33	1.11
United Kingdom	0.69	0.75	1.06	1.32	1.78
Japan	-0.14	-0.14	-0.12	0.02	0.70

Commodities

Index	Last Price	% Change	Index	Last Price	Change
Kuwait Oil	71.85	0.05	Dow Jones	24,580.89	119.39
Brent	73.41	(0.03)	Nikkei 225	22,516.83	(176.21)
West Texas	68.82	(0.58)	S&P 500	2,754.88	5.12
Gold	1,268.49	0.13	KuwaitSE	4,819.88	(3.41)

Global Indices

All information has been sourced from Reuters

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