

Highlights in the Foreign Exchange Market:

- The US labor market released mixed numbers last week. Non-farm employment increased by 164,000 jobs last month. At the same time, the unemployment rate fell to 3.9%, from 4.1% in March, partly due to a decrease in the labor participation force. The closely watched average hourly earnings number rose 2.6% annually, 0.1% lower than the previous month and a slightly less than expected. While the data may indicate that the US labor market may still have room to improve after years of gains, markets were unfazed. The US dollar index jumped to a 2018 high of 92.90 after the release.
- As for the single currency, the euro remained pressured by the US dollar rally and recent developments were dampening ECB tightening expectations. The release of the latest euro-zone GDP report for Q1 confirmed that the economy slowed at the start of this year. At the same time core inflation in the euro-zone fell to just 0.7% in April, driven down in part by the timing of Easter. The European Central Bank however, may not pay much attention to the inflation report for April because all the readings were distorted by the timing of Easter.
- In a similar fashion, the British pound has also been falling against the rallying US dollar. Increased Brexit uncertainties, weak figures and a sharp pull back in Bank of England rate expectations have all aided in the downturn in Sterling pound. A May rate hike is now seen as largely dead in the water after the recent economic data flow has heightened concern that the UK economy could now be experiencing a more material slowdown.

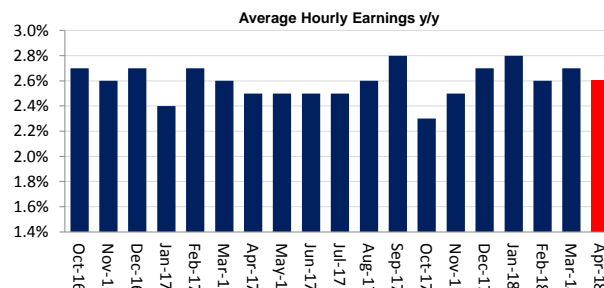
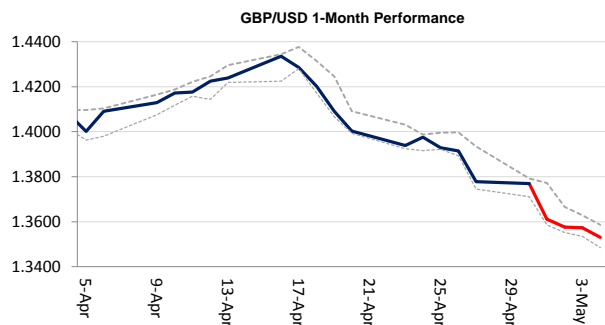


Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1815	1.1880	1.1962	1.2030	1.2085
GBP	1.3345	1.3485	1.3539	1.3620	1.3665
JPY	108.15	108.60	109.14	109.90	110.50
CHF	0.9870	0.9965	1.0002	1.0040	1.0100

Brief Technical Commentary

EUR/USD: The pair moved down to the 1.1909 level during Friday's trading session and closed the week at 1.1962. EUR Resistance is at (1.2030-1.2085) any break above targets 1.2135 and Support is at (1.1815-1.1880) any break below targets 1.1730. The pair is currently Bearish.

USD/JPY: The pair moved down to the 108.62 level during Friday's trading session and closed the week at 109.14. USD/JPY Resistance is at (109.90-110.50) any break above targets 111.20. The pair is currently Bullish.

Economic Events

Date	Country	Event	Actual	Forecast	Previous
8-May-18	USD	Fed Chair Powell Speaks	-	-	-
8-May-18	GBP	Halifax HPI m/m	-	-0.3%	1.5%
9-May-18	USD	PPI m/m	-	0.2%	0.3%
9-May-18	USD	Core PPI m/m	-	0.2%	0.3%
10-May-18	CNY	CPI y/y	-	1.9%	2.1%
10-May-18	CNY	PPI y/y	-	3.4%	3.1%
10-May-18	GBP	Manufacturing Production m/m	-	-0.2%	-0.2%
10-May-18	GBP	Official Bank Rate	-	0.50%	0.50%
10-May-18	USD	CPI m/m	-	0.3%	-0.1%
10-May-18	USD	Core CPI m/m	-	0.2%	0.2%

All information has been sourced from Reuters

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Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1958	(0.32)	EUR/GBP	0.8836	(0.51)
GBP/USD	1.3530	0.16	GBP/JPY	147.64	(2.94)
USD/JPY	109.11	(3.16)	EUR/JPY	130.49	(3.47)
USD/CHF	0.9997	2.61	EUR/CHF	1.1957	2.29

Major Crosses

Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	1.25	1.75	2.00	2.19	2.44
USD	1.76	1.93	2.37	2.52	2.78
EUR	-0.42	-0.40	-0.35	-0.31	-0.24
GBP	0.48	0.51	0.67	0.78	0.95
CHF	-0.80	-0.78	-0.72	-0.65	-0.52
AUD	1.62	1.80	2.10	2.20	2.25

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	2.23	2.50	2.79	2.95	3.12
Germany	-0.68	-0.57	-0.09	0.54	1.23
United Kingdom	0.65	0.77	1.10	1.40	1.82
Japan	-0.15	-0.14	-0.11	0.04	0.72

Commodities

Index	Last Price	% Change	Index	Last Price	Change
Kuwait Oil	70.29	0.62	Dow Jones	24,262.51	332.36
Brent	75.74	(0.03)	Nikkei 225	22,472.78	(35.25)
West Texas	69.66	(0.14)	S&P 500	2,663.42	33.69
Gold	1,314.65	0.26	KuwaitSE	4,800.65	3.30

Global Indices