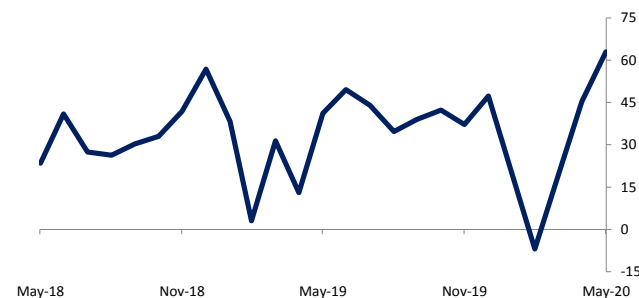


Highlights in the Foreign Exchange Market:

- China's trade surplus surged to a record \$62.93 billion in May following a \$45.34 billion surplus in April. The figure marks the highest on record and came in well above expectations of \$39 billion. Exports, devastated by demand though aided by an increase in medical-related sales, fell less than expected dropping 3.3% y/y in May. Imports on the other hand plunged 16.7% y/y, a sharper-than-expected drop which illustrates the pressure on global manufacturers as growth stalls. Commodities China buys and depends on such as crude oil, natural gas, and soy beans have declined significantly in price amidst the global pandemic. This led to a growth in China's foreign exchange reserves to \$3.1017 trillion by the end of May, from \$3.0915 trillion in late April.
- China's economy took the bulk of the damage during the first quarter of 2020, shrinking 6.8% y/y. The government announced it would not set an annual growth target for the first time since 2002. Looking at US-China trade developments, many expect US President Donald Trump has no option but to stick with a Phase 1 trade deal for now – a relief for many investors.
- The figures will likely encourage the risk appetite seen recently in markets, with the greenback dropping continuously last week against major peers. Gold prices plunged, with the metal dropping 2.93% last week alone. Though the pandemic is far from over, things are looking up with both the US and Europe deescalating restrictive measures and have begun reopening their economies.

China Trade Balance (Billions)
2-Year Performance



Gold
6-Month Performance

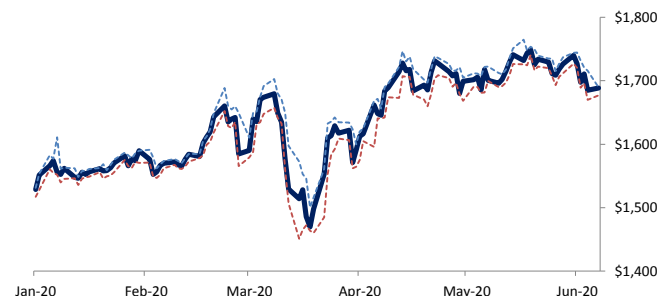


Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1185	1.1235	1.1290	1.1345	1.1395
GBP	1.2615	1.2665	1.2708	1.2760	1.2810
JPY	108.45	108.95	109.43	109.90	110.50
CHF	0.9515	0.9565	0.9624	0.9675	0.9725

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1284	0.66	EUR/GBP	0.8911	3.09
GBP/USD	1.2663	(4.22)	GBP/JPY	138.80	(2.68)
USD/JPY	109.5800	0.51	EUR/JPY	123.71	1.25
USD/CHF	0.9624	(0.48)	EUR/CHF	1.0860	0.14

Brief Technical Commentary

EUR/USD: The pair moved up to the 1.1384 level during Friday's trading session and currently trading at 1.1290. EUR/USD Resistance is at (1.1345-1.1395) any break above would take the pair up to 1.1490. Short term outlook is Bullish.

GBP/USD: The pair moved up to the 1.2731 level during Friday's trading session and currently trading at 1.2708. GBP/USD Resistance is at (1.2760-1.2780) any break above would take the pair up to 1.2870. Short term outlook is Bullish.

Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	1.25	1.50	1.69	1.94	2.13
USD	0.10	0.18	0.31	0.48	0.63
EUR	-0.53	-0.48	-0.38	-0.24	-0.15
GBP	0.06	0.09	0.22	0.38	0.57
CHF	-0.79	-0.77	-0.66	-0.59	-0.45
AUD	0.01	0.19	0.29	0.38	0.63

Economic Events

Date	Country	Event	Actual	Forecast	Previous
7-Jun-20	CNY	Trade Balance	443B	283B	318B
8-Jun-20	JPY	Final GDP Price Index y/y		0.9%	0.9%
8-Jun-20	EUR	ECB President Lagarde Speaks			
8-Jun-20	JPY	GDP q/y	-6.8%	-6.2%	6.0%
8-Jun-20	EUR	German Industrial Production m/m		-16%	-9.2%
10-Jun-20	USD	Core CPI m/m		0.0%	-0.4%
10-Jun-20	USD	Federal Funds Rate		<0.25%	<0.25%
10-Jun-20	USD	FOMC Economic Projections			
11-Jun-20	USD	Unemployment Claims		1550K	1877K
12-Jun-20	GBP	GDP m/m		-18.0%	-5.8%

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	0.17	0.21	0.46	0.90	1.67
Germany	-0.59	-0.61	-0.55	-0.29	0.25
United Kingdom	0.05	-0.01	0.08	0.36	0.79
Japan	-0.17	-0.16	-0.09	0.04	0.57

Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	36.11	4.97	Dow Jones	27,110.98	3.15
Brent	42.30	2.17	Nikkei 225	23,119.60	1.12
West Texas	40.04	1.24	S&P 500	3,193.93	2.62
Gold	1,688.31	0.18	KuwaitSE	5,065.98	0.86

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