



Highlights in the Foreign Exchange Market:

- The S&P 500 index hit a record high yesterday, led by defensive sectors, as bets of an interest rate cut rose on fears of a slowing global economy due to simmering trade tensions. On the other hand, the benchmark U.S. 10-year Treasury yield slipped to its lowest since November 2016, while euro zone yields tumbled to record lows on bets the European Central Bank's next chief would stay on a dovish course.
- In the UK, Sterling and gilt yields fell as economic data reinforced markets' view that the Bank of England would join its central bank counterparts in cutting interest rates to combat a worsening economic outlook. The U.K. composite purchasing managers' index fell to 49.7 in June from 50.9 in May, slipping into contraction territory for the first time since mid-2016 due to gloomy manufacturing and construction PMIs. Services PMI stayed around 50, coming in below-forecast.
- Oil prices inched lower after solid gains yesterday, pressured by a smaller-than-expected decline in US crude stockpiles. The Energy Information Administration reported US crude inventories dropped by 1.1 million barrels last week, compared with expectations for a decrease of 3 million barrels. The US oil market remains oversupplied, while OPEC and other producers such as Russia agreed to extend oil supply cuts until March 2020. Brent crude dipped to 63.38 following a drop to 62.09 the day before.

Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1180	1.1235	1.1282	1.1335	1.1385
GBP	1.2485	1.2535	1.2584	1.2635	1.2685
JPY	106.85	107.30	107.80	108.30	108.85
CHF	0.9755	0.9810	0.9862	0.9910	0.9965

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1277	(1.63)	EUR/GBP	0.8966	(0.19)
GBP/USD	1.2571	(1.39)	GBP/JPY	135.50	(3.16)
USD/JPY	107.8200	(2.23)	EUR/JPY	121.58	(3.64)
USD/CHF	0.9865	0.49	EUR/CHF	1.1126	(1.12)

Major Crosses

Brief Technical Commentary

EUR/USD: The pair moved down to the 1.1267 level during Wednesday's trading session and currently trading at 1.1282 EUR/USD Support is at (1.1180-1.1235) any break below would take the pair down to 1.1115. Short term outlook is Bearish.

GBP/USD: The pair moved down to the 1.2555 level during Wednesday's trading session and currently trading at 1.2584 GBP/USD Support is at (1.2485-1.2535) 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	2.50	2.69	2.88	3.13
USD	2.40	2.36	2.29	2.21	2.18
EUR	-0.44	-0.43	-0.39	-0.40	-0.32
GBP	0.68	0.72	0.76	0.82	0.88
CHF	-0.82	-0.81	-0.74	-0.70	-0.60
AUD	1.15	1.16	1.23	1.30	1.21

Economic Events

Date	Country	Event	Actual	Forecast	Previous
30-Jun-19	CNY	Manufacturing PMI	49.4	49.5	49.4
1-Jul-19	GBP	Manufacturing PMI	48.0	49.5	49.4
1-Jul-19	USD	ISM Manufacturing PMI	51.7	51.3	52.1
1-Jul-19	ALL	Opec Meetings			
2-Jul-19	AUD	RBA Rate Statement			
3-Jul-19	GBP	Services PMI	50.2	51.0	51.0
3-Jul-19	USD	ISM Non Manufacturing PMI	55.1	56.1	56.9
5-Jul-19	USD	Average Hourly Earnings		0.3%	0.2%
5-Jul-19	USD	Non-Farm Employment		164K	75K
5-Jul-19	USD	Unemployment Rate		3.6%	3.6%

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	1.91	1.76	1.74	1.95	2.47
Germany	-0.72	-0.77	-0.69	-0.39	0.21
United Kingdom	0.57	0.48	0.49	0.70	1.32
Japan	-0.21	-0.22	-0.26	-0.16	0.33

Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	63.40	0.06	Dow Jones	26,966.00	0.67
Brent	62.53	0.21	Nikkei 225	21,693.79	0.26
West Texas	56.41	0.28	S&P 500	2,995.82	0.77
Gold	1,415.78	(0.19)	KuwaitSE	5,918.25	0.59

All information has been sourced from Reuters.

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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).