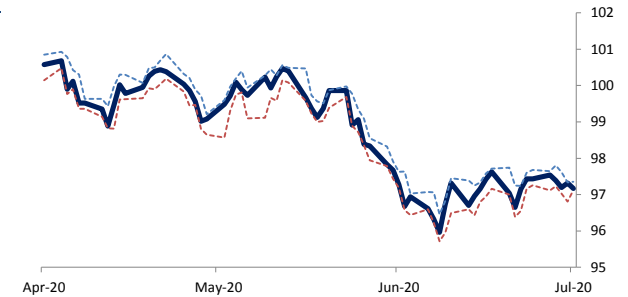
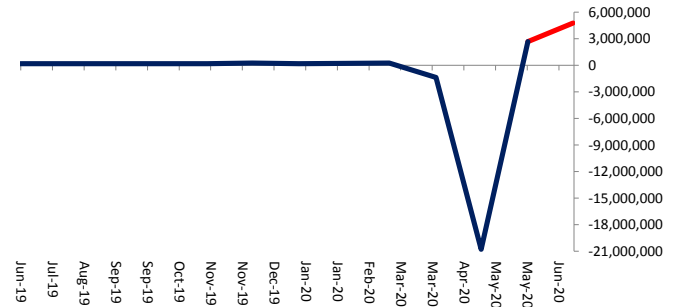


US Dollar Index
3-Month Performance



Non-Farm Employment Change
1-Year Performance



Highlights in the Foreign Exchange Market:

- Equities globally rallied as investors assessed the data coming from global economies and the much talked about V shaped recovery possibility. With labor market data and manufacturing data exceeding expectations, equities flourished. Yet the gains were capped with the US recording record daily corona virus cases and fears of a second wave of infections spurred fear in investors' sentiment. Since we are at corporate earnings season, the corporate reports should shed some further light on the status of different sectors of the economy. In the FX sphere, the US dollar edged lower last week losing as much as 0.62% of its value against major rivals amidst increased risk-taking sentiment. The greenback had its first weekly drop in a month the past week.
- The jobs report in June showcased the rebound in the US labor market as all US states started lifting their strict lockdown measures. The labor market made greater progress than expected in June. Thursday's simultaneous release of the monthly employment report and the weekly jobless claims data offered diverging snapshots of the economy. One reflecting a flood of rehiring, particularly at restaurants and retailers, as state economies reopened. The other reflecting a jump in new virus cases, which has led many of those same states to halt or even walk back reopening plans. In details, Payrolls rose by a more-than-expected 4.8 million in June after an upwardly revised 2.7 million gain in the prior month, according to Labor Department figures. The data, which offer a snapshot of mid-month conditions, also showed the unemployment rate fell for a second month to 11.1%. That was a bigger decline than anticipated, but the rate remains far above the pre-pandemic half-century low of 3.5%.

Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1035	1.1140	1.1243	1.1345	1.1445
GBP	1.2285	1.2380	1.2482	1.2580	1.2685
JPY	105.55	106.50	107.51	108.45	109.50
CHF	0.9265	0.9360	0.9459	0.9560	0.9655

Major Currencies

CCY	Closing Rate	YTD %
EUR/USD	1.1248	0.34
GBP/USD	1.2483	(5.85)
USD/JPY	107.5000	(1.25)
USD/CHF	0.9457	(2.28)

Major Crosses

CCY	Closing Rate	YTD %
EUR/GBP	0.9010	6.60
GBP/JPY	134.19	(6.02)
EUR/JPY	120.90	(0.86)
EUR/CHF	1.0622	(2.12)

Brief Technical Commentary

EUR/USD: The pair moved up to the 1.1254 level during Friday's trading session and closed for the week at 1.1243. EUR/USD Supports are at (1.1035-1.1140) any break below would take the pair down to 1.0935. Short term outlook is Neutral.

GBP/USD: The pair moved down to the 1.2437 level during Friday's trading session and closed for the week at 1.2482. GBP/USD Resistance levels are at (1.2580-1.2685) any break above would take the pair up to 1.2755. Short term outlook is Bullish.

Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	1.19	1.38	1.63	1.88	2.13
USD	0.11	0.16	0.28	0.37	0.51
EUR	-0.53	-0.50	-0.42	-0.34	-0.24
GBP	0.06	0.08	0.11	0.30	0.42
CHF	-0.80	-0.78	-0.68	-0.64	-0.48
AUD	-0.10	-0.10	-0.10	0.36	0.30

Economic Events

Date	Country	Event	Actual	Forecast	Previous
2-Jul-20	USD	Non-Farm Employment Change	4800K	3037K	2699K
2-Jul-20	USD	Unemployment Rate	11.1%	12.4%	13.3%
3-Jul-20	GBP	Final Services PMI	47.1	47.0	47.0
6-Jul-20	USD	ISM Non-Manufacturing PMI		50	45.4
7-Jul-20	AUD	Cash Rate		0.25%	0.25%
7-Jul-20	AUD	RBA Rate Statement			
8-Jul-20	EUR	EU Economic Forecasts			
9-Jul-20	USD	Unemployment Claims			
10-Jul-20	USD	Core PPI m/m		0.1%	0.1%
10-Jul-20	CAD	Unemployment Rate		12.5%	13.7%

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	0.15	0.15	0.29	0.67	1.43
Germany	-0.59	-0.70	-0.68	-0.44	0.03
United Kingdom	-0.05	-0.10	-0.05	0.19	0.65
Japan	-0.20	-0.15	-0.12	0.01	0.61

Commodities

Index	Last Price	% Change
Kuwait Oil	41.89	0.10
Brent	42.80	(0.79)
West Texas	40.32	(0.81)
Gold	1,774.79	(0.02)

Global Indices

Index	Last Price	% Change
Dow Jones	25,827.36	0.36
Nikkei 225	22,306.48	0.72
S&P 500	3,130.01	0.45
KuwaitSE	5,123.80	0.42

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).