

Kuwaiti Dinar Today

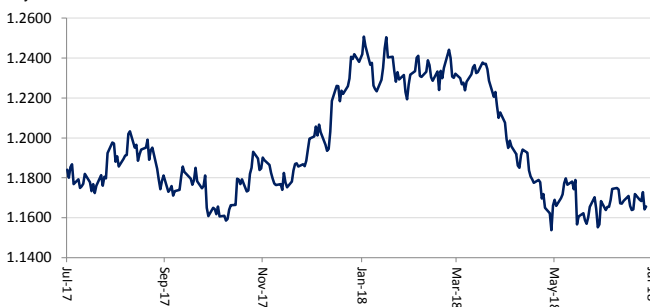
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Highlights in the Foreign Exchange Market:

- The Chinese government aimed to send a message to the US after issuing a white paper on Thursday saying it has "faithfully" honored the promise it made when it joined the World Trade Organization and wants the free trade system to continue. The move follows US Secretary of State Mike Pompeo earlier this month calling Beijing's rhetoric on economic openness and globalization "a joke". Though the white paper makes no reference to US President Donald Trump, its main statements appear to be a defense against many of his allegations towards China. US-China trade war tensions are set to pick up after the unforeseen meeting between the European Commission President Jean-Claude Juncker and US President Trump, in which the EU promised to increase imports of soybeans and liquefied natural gas in order to counteract the effect of the trade war with China.
- Meanwhile, the European Union and the United Kingdom have shown no evidence of reaching a deal in regards to Brexit. As it stands, neither side benefits from an absence of an agreement. If an agreement is not made, the UK will leave the EU in March 2019 reverting to the World Trade Organization rules of a "Hard Brexit". Currently, market's attention will shift to this week's BOE monetary policy announcement with growing expectations of a 0.25% rate hike. UK's inflation read at 2.4% in June, slightly below the BOE's expectations, and core inflation fell to 1.9% from 2.1% in May. The sterling is likely to react to next week's QIR and MPC report, with the latest round of Brexit talks bringing nothing new to the table.

EUR/USD

1-year Performance



GBP/USD

1-Year Performance



Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1550	1.1600	1.1656	1.1705	1.1755
GBP	1.3000	1.3050	1.3103	1.3150	1.3205
JPY	110.00	110.50	111.03	111.55	112.05
CHF	0.9845	0.9895	0.9947	1.0005	1.0055

Major Currencies

Major Crosses

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1656	(2.83)	EUR/GBP	0.8892	0.09
GBP/USD	1.3103	(2.89)	GBP/JPY	145.48	(4.27)
USD/JPY	111.03	(1.40)	EUR/JPY	129.41	(4.21)
USD/CHF	0.9943	2.1	EUR/CHF	1.1588	(0.77)

Brief Technical Commentary

EUR/USD: The pair moved down to the 1.1637 level during Friday's trading session and currently trading at 1.1656 EUR/USD Support is at (1.1500-1.1550) any break below targets 1.1310 Short term outlook is neutral. However, medium term outlook remains bearish.

USD/JPY: The pair moved down to the 110.78 level during Friday's trading session and currently trading at 111.03 USD/JPY Support is at (109.80-110.00) any break below targets 108.15 Short term and medium term outlook is neutral, However, medium term outlook remains bearish.

Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	1.13	1.81	2.06	2.31	2.56
USD	1.95	2.08	2.34	2.53	2.82
EUR	-0.43	-0.40	-0.36	-0.32	-0.23
GBP	0.50	0.65	0.79	0.90	1.05
CHF	-0.80	-0.78	-0.72	-0.65	-0.51
AUD	1.80	1.84	1.96	2.27	2.27

Economic Events

Date	Country	Event	Actual	Forecast	Previous
30-Jul-18	JPY	Retail Sales y/y	1.8%	1.7%	0.6%
31-Jul-18	JPY	BOJ Policy Rate		-10%	-10%
31-Jul-18	USD	CB Consumer Confidence		126.5	126.4
1-Aug-18	GBP	Manufacturing PMI		54.2	54.4
1-Aug-18	USD	Crude Oil Inventories			-6.1M
1-Aug-18	USD	Federal Funds Rate		<2.00%	<2.00%
2-Aug-18	GBP	BOE Gov Carney Speaks			
2-Aug-18	GBP	BOE Inflation Report			
3-Aug-18	USD	Non-Farm Employment Change		193K	213K
3-Aug-18	USD	Unemployment Rate		3.9%	4.00%

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	2.39	2.67	2.84	2.96	3.09
Germany	-0.71	-0.63	-0.23	0.39	1.05
United Kingdom	0.70	0.75	1.01	1.28	1.73
Japan	-0.13	-0.12	-0.09	0.09	0.82

Commodities

Global Indices

Index	Last Price	% Change	Index	Last Price	Change
Kuwait Oil	73.57	(0.28)	Dow Jones	25,451.06	(76.01)
Brent	75.48	(0.03)	Nikkei 225	22,544.84	(167.91)
West Texas	68.61	(0.15)	S&P 500	2,818.82	(18.62)
Gold	1,220.16	(0.23)	KuwaitSE	5,207.78	(14.74)

All information has been sourced from Reuters.

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