

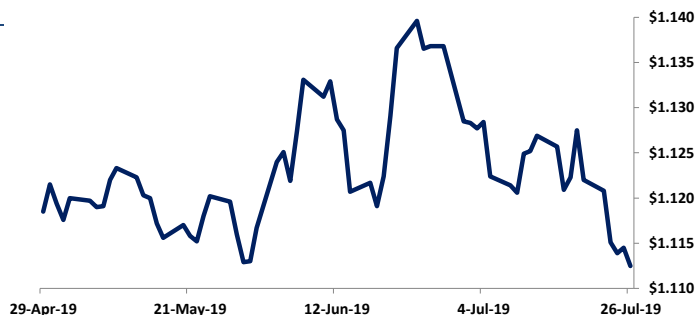
Kuwaiti Dinar Today

0.30400 / 0.30410

Highlights in the Foreign Exchange Market:

- The European Central Bank is shifting its direction just months after officials ended the quantitative easing program and started preparing to exit the extraordinary stimulus. The bank sent signals of lower interest rates and renewed asset purchases in support of the euro-area economy in their policy statement on Thursday, leaving open the possibility of a September cut in the deposit rate from its current record low of -0.4%. It is widely predicted that the central bank will wait until September's meeting before adding stimulus, allowing time to see the Fed's decision before updating the ECB's economic projections. Draghi's push comes just three months prior to the end of his eight year term in which he will hand over the position to former International Monetary Fund Chief, Christine Lagarde. Other central banks are similarly turning dovish amid slackening global growth with the Federal Reserve expected to cut rates this week. The euro sank to its YTD low of 1.1100 last week, later recovering to 1.1129.
- Amid an economic slowdown in the euro-area that has pushed inflation further below its 2% goal at 1.3%, a shrinking manufacturing sector, and risks such as global trade tensions still evident; the ECB's decision to tweak its forward guidance is understandable. Industrial demand and production are falling as suppliers battle slowing demand from China. German manufacturing is currently in its deepest decline in seven years and the economy is facing the risk of a recession. The now over 1-year long US-China trade conflict and the possibility of a chaotic Brexit are geopolitical factors currently weighing on the euro-zone as well.
- Stocks were mixed on Friday as investors weighed the latest batch of corporate earnings and shifted attention to next week's Federal Reserve interest-rate decision. The Stoxx Europe 600 Index was little changed as media shares rose and retail firms struggled. The MSCI Emerging Market Index declined 0.4%, the lowest drop in more than two weeks. On Wall Street, the S&P 500 nudged lower though recovered and is now trading at its all-time record high of 3,025.86. The index is up around 22% since the beginning of 2019.

EUR/USD



S&P 500 Index



Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.0925	1.1025	1.1125	1.1225	1.1335
GBP	1.2175	1.2280	1.2380	1.2480	1.2575
JPY	106.70	107.65	108.66	109.60	110.55
CHF	0.9740	0.9835	0.9933	1.0040	1.0135

Major Currencies

CCY	Closing Rate	YTD %
EUR/USD	1.1125	(3.00)
GBP/USD	1.2380	(2.96)
USD/JPY	108.6600	(1.45)
USD/CHF	0.9933	1.21

Major Crosses

CCY	Closing Rate	YTD %
EUR/GBP	0.8988	0.03
GBP/JPY	134.55	(3.92)
EUR/JPY	120.91	(4.21)
EUR/CHF	1.1052	(1.79)

Brief Technical Commentary

EUR/USD: The pair moved down to the 1.1110 level during Friday's trading session and closed for the week at 1.1125 EUR/USD Support is at (1.1025-1.1075) any break below would take the pair down to 1.0925. Short term outlook is Bearish.

GBP/USD: The pair moved down to the 1.2374 level during Friday's trading session and closed for the week at 1.2380 GBP/USD Support is at (1.2280-1.2330) any break below would take the pair down to 1.2175. Short term outlook is Bearish.

Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	2.19	2.50	2.69	2.94	3.13
USD	2.27	2.24	2.27	2.20	2.20
EUR	-0.46	-0.42	-0.40	-0.42	-0.34
GBP	0.69	0.72	0.78	0.81	0.86
CHF	-0.83	-0.80	-0.76	-0.74	-0.63
AUD	1.20	1.00	1.00	1.39	1.05

Economic Events

Date	Country	Event	Actual	Forecast	Previous
30-Jul-19	USD	CB Consumer Confidence		125.2	121.5
31-Jul-19	CNY	Manufacturing PMI		49.6	49.4
31-Jul-19	USD	ADP Non-Farm Employment Change		150K	102K
31-Jul-19	USD	FOMC Statement			
31-Jul-19	USD	Federal Funds Rate		<2.25%	<2.5%
31-Jul-19	USD	FOMD Press Conference			
1-Aug-19	CNY	Caixin Manufacturing PMI		49.6	49.4
1-Aug-19	GBP	BOE Inflation Report			
1-Aug-19	GBP	Monetary Policy Summary			
1-Aug-19	GBP	Official Bank Rate		0.75%	0.75%

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	1.99	1.85	1.85	2.07	2.60
Germany	-0.69	-0.76	-0.71	-0.38	0.21
United Kingdom	0.54	0.48	0.47	0.69	1.35
Japan	-0.20	-0.22	-0.24	-0.16	0.35

Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	65.43	(0.58)	Dow Jones	27,192.45	0.19
Brent	0.00	0.00	Nikkei 225	21,658.15	(0.45)
West Texas	56.05	0.17	S&P 500	3,025.86	0.74
Gold	1,418.31	0.30	KuwaitSE	6,107.25	0.55

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