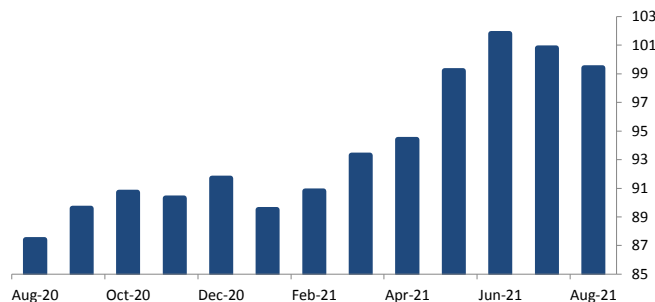
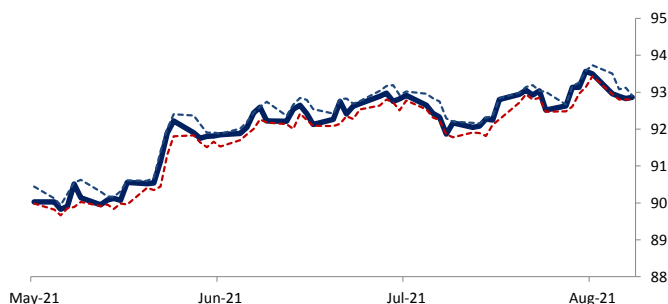


#### Highlights in the Foreign Exchange Market:

- New orders for US durable goods fell in July for the second time in 15 months, slipping 0.1% last month. The drop was mainly attributed to a weakness in transportation orders, primarily airplanes. Setting aside auto and airplane goods, new orders actually rose 0.7% last month. So far, manufacturers are leading the US economic recovery amid the pandemic with high demand for their products. Still, they continue to struggle when it comes to supply and labor.
- In Europe, German business sentiment worsened in August for a second consecutive month. The Ifo business climate index fell to 99.4 in August from 100.7 in July, largely due to a deterioration in the business expectations component. Supply bottlenecks and concerns regarding the Covid-19 Delta variant continues to cloud short term outlook.
- Moving to commodities, oil prices dropped following the biggest 3-day gain since March. The latest Covid-19 resurgence continues to cloud outlook for fuel demand, and the market will watch for any changes to production policy from the OPEC+ meeting on September 1st.
- The greenback remains strong with the index trading near 93.0 as markets remain cautious ahead of US Federal Reserve Chair Jerome Powell's speech on Friday. Investors will watch closely for any hints regarding economic stimulus.



US Dollar Index 3-Month Performance



#### Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1650	1.1700	1.1764	1.1850	1.1950
GBP	1.3600	1.3680	1.3757	1.3850	1.3900
JPY	108.00	108.80	109.91	110.40	111.20
CHF	0.9000	0.9090	0.9145	0.9180	0.9270

#### Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1770	(3.64)	EUR/GBP	0.8551	(4.29)
GBP/USD	1.3759	0.61	GBP/JPY	151.41	(2.71)
USD/JPY	109.9900	6.60	EUR/JPY	129.45	(1.97)
USD/CHF	0.9136	3.29	EUR/CHF	1.0754	(0.44)

#### Major Crosses

#### Brief Technical Commentary

EUR / USD: EUR holding to the 1.1700 area moving higher to 1.1764 closer to resistance levels of 1.1800. Long term seems bearish with any break support level 1.1700 will extend to 1.1600.

GBP/USD: GBP seems to have a more volatile support and resistance points as more US dollar weakens helped cable to higher high to 1.3760. If the USD continues to weaken, expectation of 1.38 zones will be reached; any bearish trend will need to break support level of 1.3700.

#### Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	0.88	1.25	1.50	1.75	2.00
USD	0.09	0.09	0.12	0.16	0.24
EUR	-0.58	-0.58	-0.56	-0.55	-0.50
GBP	0.04	0.05	0.07	0.10	0.22
CHF	-0.82	-0.79	-0.78	-0.73	-0.60
AUD	-0.12	-0.13	-0.12	-0.27	-0.09

#### Economic Events

Date	Country	Event	Actual	Forecast	Previous
19-Aug-21	USD	Unemployment Claims	348K	362K	377K
23-Aug-21	EUR	German Flash Manufacturing PMI	62.7	65.1	65.9
23-Aug-21	EUR	German Flash Services PMI	61.5	61.0	61.8
23-Aug-21	GBP	Flash Manufacturing PMI	60.1	59.5	60.4
23-Aug-21	GBP	Flash Services PMI	55.5	59.0	59.6
25-Aug-21	USD	Crude Oil Inventories	-3.0M	-1.9M	-3.2M
26-Aug-21	USD	Prelim GDP q/q		6.6%	6.5%
27-Aug-21	ALL	Jackson Hole Symposium			
27-Aug-21	USD	Fed Chair Powell Speaks			
27-Aug-21	USD	Core PCE Price Index m/m		0.3%	0.4%

#### Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	0.05	0.24	0.83	1.33	1.94
Germany	-0.68	-0.74	-0.71	-0.43	0.04
United Kingdom	0.06	0.13	0.30	0.59	1.01
Japan	-0.14	-0.14	-0.12	0.02	0.63

#### Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	72.39	0.68	Dow Jones	35,405.50	0.11
Brent	72.38	0.03	Nikkei 225	27,719.40	(0.02)
West Texas	68.57	0.09	S&P 500	4,496.19	0.22
Gold	1,787.25	(0.19)	KuwaitSE	6,768.35	0.97

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 (FAX +965 2229 1441).