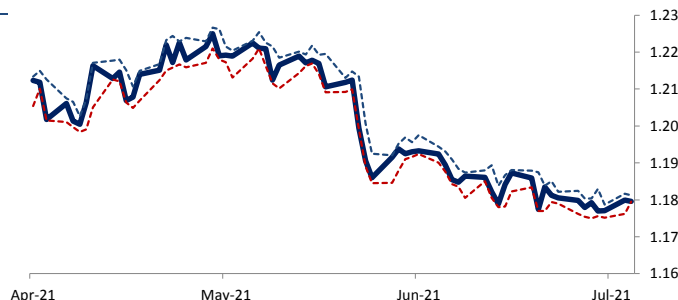


Highlights in the Foreign Exchange Market:

- Sentiment in Europe's largest economy worsened in July amid an increase in COVID-19 cases and issues with supply bottlenecks. The German Ifo index came in at 100.8 points in July following 101.7 in June, and missed forecasts of an increase to 102.5. According to the Ifo, companies evaluated their current business situations as somewhat better, but their expectations for the coming months were significantly less optimistic. Shrugging off the data, the euro gained ground against the dollar and rose above the 1.18 mark.
- Moving to Asia, the Nasdaq Golden Dragon China Index which tracks 98 of China's largest firms listed in the US suffered its biggest two-day drop since the Financial Crisis of 2008. The index fell 7% following Friday's 8.5% plunge. The decline followed a clampdown by Xi Jinping's Party on sectors in China including technology, education, and real estate.
- Market uncertainty and increased volatility is building ahead of tomorrow's Federal Reserve decision as US CPI rose to 5.4% y/y in June. Though strong guidance is not expected from Fed chair Jerome Powell, officials do appear split regarding when to taper. The yield on the 10-year Treasury note is currently trading near a 5-month low. Meanwhile, Wall Street has maintained its resilience with the S&P 500 Index and Nasdaq Composite Index trading near record highs following a choppy week of gains.

EUR/USD
3-Month Performance



S&P 500 Index
3-Month Performance

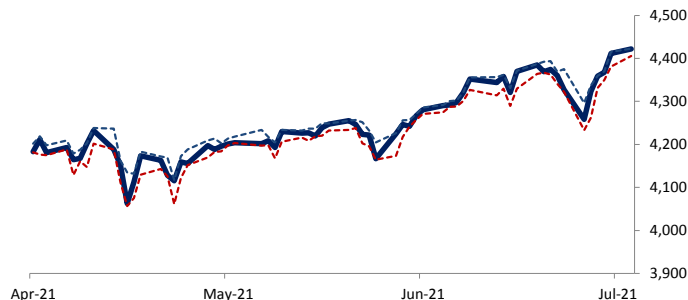


Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1705	1.1755	1.1771	1.1855	1.1905
GBP	1.3725	1.3775	1.3746	1.3880	1.3930
JPY	109.25	109.75	110.54	110.80	111.30
CHF	0.9060	0.9110	0.9190	0.9215	0.9265

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1799	(3.39)	EUR/GBP	0.8539	(4.46)
GBP/USD	1.3816	1.07	GBP/JPY	152.53	6.37
USD/JPY	110.3400	6.78	EUR/JPY	130.26	2.43
USD/CHF	0.9159	3.47	EUR/CHF	1.0807	0.00

Major Crosses

Brief Technical Commentary

EUR/USD: The pair moved up to the 1.1818 level during Monday's trading session and currently trading at 1.1803 EUR/USD Support is at (1.1705-1.1755) any break below would take the pair down to 1.1600. Short term outlook is Bearish.

GBP/USD: The pair moved up to the 1.3835 level during Monday's trading session and currently trading at 1.3825 GBP/USD Support is at (1.3725-1.3775) any break below would take the pair down to 1.3630. Short term outlook is Bearish.

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	0.08	0.09	0.13	0.16	0.24
EUR	-0.58	-0.58	-0.56	-0.52	-0.49
GBP	0.04	0.05	0.07	0.09	0.18
CHF	-0.82	-0.80	-0.76	-0.72	-0.60
AUD	-0.14	-0.13	-0.11	-0.23	-0.14

Economic Events

Date	Country	Event	Actual	Forecast	Previous
22-Jul-21	EUR	Monetary Policy Statement			
23-Jul-21	EUR	German Flash Services PMI	62.20	59.40	57.50
23-Jul-21	EUR	German Flash Manufacturing PMI	65.60	64.20	65.10
27-Jul-21	USD	CB Consumer Confidence		124.2	127.3
28-Jul-21	AUD	CPI m/m		0.50%	0.30%
28-Jul-21	USD	FOMC Statement			
29-Jul-21	USD	Advance GDP q/q		8.50%	6.40%
29-Jul-21	USD	Unemployment Claims		375K	419K
30-Jul-21	CAD	GDP m/m		-0.40%	-0.30%
30-Jul-21	USD	Core PCE Price Index m/m		0.60%	0.50%

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	0.06	0.21	0.71	1.28	1.93
Germany	-0.66	-0.74	-0.71	-0.43	0.06
United Kingdom	0.03	0.07	0.27	0.57	0.99
Japan	-0.14	-0.13	-0.13	0.01	0.64

Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	74.93	1.15	Dow Jones	35,144.31	0.24
Brent	75.00	0.03	Nikkei 225	27,936.56	0.37
West Texas	72.20	0.14	S&P 500	4,422.30	0.24
Gold	1,797.21	(0.00)	KuwaitSE	6,524.78	1.02

Global Indices

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).