

Highlights in the Foreign Exchange Market:

- US stocks experienced a comeback on Tuesday following panic over Turkey's currency crisis. The S&P 500 rose 18.03 points, or 0.6%, while the Nasdaq Composite Index gained 51.19 points at 0.7%. The Dow Jones Industrial Average also rose 0.5%, up 112.22 points. Markets seemed to have regained confidence since Monday's session reported declines, possibly due to Turkey's central bank pledging to provide a solution for banks. However, due to President Erdogan's stance on higher rates and tensions with the US at a high, it is unclear if the central bank will be able to address such economic challenges.
- The unemployment rate in the UK dropped to 4%, its lowest level in 40 years as reported by the Office for National Statistics on Tuesday. Due to a reportedly high number of job vacancies, employment is expected to rise significantly in the near future. On the other hand, wage growth reported slower growth rising at just 2.4%, below economists' forecasts. The pound initially spiked, but quickly declined due to the weaker than expected wage growth data gaining just 0.09% on the day. The sterling is currently trading at a 13-month low around the 1.2602 level.
- The US Dollar hit a 13-month at 96.862, its highest level since June 2017. On the other hand, the Turkish lira has lost more than one-fifth of its value against the dollar this year, currently trading at around 6.58. The euro was down about 0.2 % at 1.1324, also due to concerns of European banks exposure to Turkey.

US Dollar Index
1 Year Performance



GBP
Year to Date Performance



Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1215	1.1270	1.1319	1.1375	1.1425
GBP	1.2700	1.2750	1.2798	1.2850	1.2900
JPY	110.25	110.75	111.23	111.75	112.30
CHF	0.9855	0.9910	0.9961	1.0010	1.0065

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1342	(5.59)	EUR/GBP	0.8915	0.33
GBP/USD	1.2723	(5.97)	GBP/JPY	141.39	(7.06)
USD/JPY	111.14	(1.26)	EUR/JPY	126.07	(6.77)
USD/CHF	0.9940	2.27	EUR/CHF	1.1276	(3.44)

Major Crosses

Brief Technical Commentary

EUR/USD: The pair moved down to the 1.1342 level during Tuesday's trading session and currently trading at 1.1316 EUR/USD Support is at (1.1215-1.1255) any break below targets 1.1115 Short term and medium term outlook are bearish.

USD/JPY: The pair moved up to the 111.30 level during Tuesday's trading session and currently trading at 111.23 USD/JPY Support is at (110.25-110.55) any break below targets 109.35 Short term and medium term outlook are bearish.

Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	1.13	1.75	2.00	2.25	2.56
USD	1.95	2.06	2.32	2.51	2.81
EUR	-0.42	-0.40	-0.36	-0.31	-0.23
GBP	0.71	0.72	0.80	0.91	1.04
CHF	-0.79	-0.78	-0.73	-0.65	-0.52
AUD	1.82	1.90	2.14	2.31	2.26

Economic Events

Date	Country	Event	Actual	Forecast	Previous
14-Aug-18	GBP	Average Earnings Index 3m/y	2.4%	2.5%	2.5%
14-Aug-18	AUD	Wage Price Index q/q	0.6%	0.6%	0.5%
15-Aug-18	GBP	CPI y/y		2.5%	2.4%
15-Aug-18	USD	Core Retail Sales m/m		0.4%	0.4%
15-Aug-18	USD	Retail Sales m/m		0.2%	0.5%
15-Aug-18	USD	Crude Oil Inventories			-1.4M
15-Aug-18	AUD	Unemployment Rate		5.4%	5.4%
16-Aug-18	GBP	Retail Sales m/m		0.2%	-0.5%
16-Aug-18	USD	Building Permits		1.31M	1.29M
17-Aug-18	CAD	CPI m/m			0.1%

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	2.44	2.62	2.75	2.88	3.05
Germany	-0.69	-0.65	-0.31	0.33	0.99
United Kingdom	0.65	0.69	1.01	1.26	1.73
Japan	-0.13	-0.12	-0.09	0.09	0.84

Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	71.15	(1.40)	Dow Jones	25,299.92	0.45
Brent	69.96	(0.03)	Nikkei 225	22,159.64	(0.38)
West Texas	66.99	(0.15)	S&P 500	2,839.96	0.64
Gold	1,188.08	(0.46)	KuwaitSE	5,217.96	(0.30)

All information has been sourced from Reuters.

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