



#### Highlights in the Foreign Exchange Market:

- US retail sales rose 7.5% last month, exceeding economists' estimates of a 5% growth and following a rise of 18.2% in May. The figure in June is less than 1% from levels recorded before the crises and comes as more Americans return to work and retailers emerging from pandemic related shutdowns. The National Association of Home Builders' Housing Market Index also showed a surge, climbing to 72 in July from 58 in the previous month and exceeding the 60 figure forecasted by economists. This jump has coincided with a decline in mortgage rates, which have slipped to their lowest on record.
- As for the UK, retail sales returned to growth in June, boosted by online, food and furniture spending. The figure indicates that the piled-up demand from the pandemic lockdown could help struggling stores as they reopen. Data showed retail sales increased by 3.4% in June compared with the same month last year, its first expansion since the lockdown and fastest pace of growth since May 2018.
- In its monetary meeting held on Thursday, the Governing Council of the European Central Bank decided to leave its key rates unchanged, while keeping its Pandemic Emergency Purchase Program steady at 1.35 trillion Euro. ECB president Christine Lagarde states that the Eurozone's fresh recovery from the economic damage done by the coronavirus pandemic faces several threats. The ECB has now hit a pause after four months of ramping up its monetary stimulus and has entered into what investors are calling "a wait and see" period, aiming to assess the speed of economic recovery before launching new measures. In the FX sphere, the euro has been one of the best performing currencies over the past few weeks, due to the brighter picture in the Eurozone compared to other parts of the world and aided by the decline of the greenback. The single currency gained 1.13% over its dollar counterpart last week.

#### Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1325	1.1375	1.1417	1.1470	1.1520
GBP	1.2420	1.2470	1.2521	1.2575	1.2625
JPY	106.35	106.85	107.36	107.80	108.30
CHF	0.9300	0.9350	0.9397	0.9450	0.9500

#### Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1426	2.15	EUR/GBP	0.9088	7.97
GBP/USD	1.2565	(5.39)	GBP/JPY	134.50	(5.76)
USD/JPY	106.9900	(1.47)	EUR/JPY	122.30	0.72
USD/CHF	0.9384	(3.01)	EUR/CHF	1.0723	(0.94)

#### Brief Technical Commentary

EUR/USD: The pair moved up to the 1.1444 level during Friday's trading session and currently trading at 1.1417. EUR/USD Resistance levels are at (1.1470-1.1520) any break above would take the pair up to 1.1580. Short term outlook is Bullish.

GBP/USD: The pair moved up to the 1.2575 level during Friday's trading session and currently trading at 1.2521. GBP/USD Resistance levels are at (1.2575-1.2625) any break above would take the pair up to 1.2730. Short term outlook is Bullish.

#### Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	1.13	1.31	1.56	1.81	2.13
USD	0.11	0.18	0.27	0.33	0.47
EUR	-0.54	-0.49	-0.44	-0.40	-0.29
GBP	0.06	0.07	0.08	0.19	0.33
CHF	-0.82	-0.78	-0.69	-0.65	-0.52
AUD	-0.13	-0.08	0.11	0.30	0.20

#### Economic Events

Date	Country	Event	Actual	Forecast	Previous
21-Jul-20	AUD	Monetary Policy Meeting Minutes			
21-Jul-20	CAD	Core Retail Sales m/m			-22.0%
22-Jul-20	AUD	Retail Sales m/m			16.9%
22-Jul-20	USD	Crude Oil Inventories			-7.5M
23-Jul-20	USD	Unemployment Claims	1280K	1300K	
24-Jul-20	GBP	Retail Sales m/m	8.0%	12.0%	
24-Jul-20	EUR	Flash Manufacturing PMI	49.6	47.4	
24-Jul-20	EUR	Flash Services PMI	51.0	48.3	
24-Jul-20	GBP	Flash Services PMI	51.1	47.1	
24-Jul-20	USD	Flash Manufacturing PMI	52.0	49.8	

#### Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	0.13	0.14	0.28	0.62	1.32
Germany	-0.60	-0.69	-0.66	-0.45	-0.01
United Kingdom	-0.06	-0.10	-0.07	0.16	0.67
Japan	-0.17	-0.15	-0.12	0.01	0.59

#### Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	41.78	(0.31)	Dow Jones	26,067.28	0.68
Brent	42.86	(0.65)	Nikkei 225	22,661.69	(0.15)
West Texas	40.34	(0.62)	S&P 500	3,224.73	0.28
Gold	1,809.53	0.03	KuwaitSE	4,993.25	(1.05)

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For further information or discussion, please contact the Treasury Services Desk on TSD\_LIST@NBK.COM or +965 2221 6603 (TELEX : 46811 - FAX +965 2241 9720).