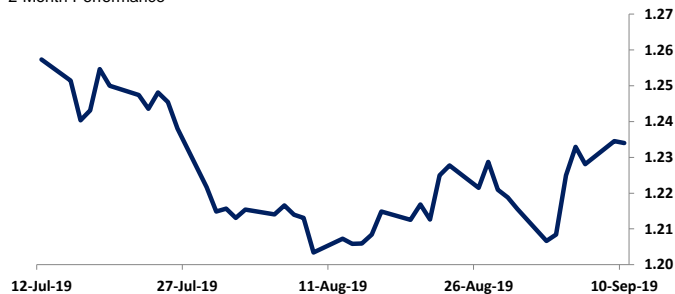


Highlights in the Foreign Exchange Market:

- The UK economy grew faster than expected in July mainly due to the dominant services sector, easing fears of a recession prompted by the 0.2% contraction seen in the second quarter of 2019. Output grew 0.3% m/m versus forecasts of a 0.1% rise. Despite the stronger-than-expected figure, growth is seen weakening through 2019 as the economy struggles under Brexit uncertainty and a weakening global economy. The rise in output may be a sign that businesses are increasing activity ahead of the UK exiting the EU. Still, the figure was seen as a relief for a government eager to avoid recession headlines. Looking at the Brexit debacle, Prime Minister Boris Johnson has suspended Parliament as of yesterday following a rejection to his motion to hold an early general election. Last week, lawmakers took control from Johnson's government and then passed a bill that would force the PM to request a Brexit extension from the EU if no deal is agreed on, thus ruling a no-deal Brexit on October 31st. Johnson has continuously insisted he would leave the EU with no deal, while lawmakers fight to block that idea. The pound hit a six-week high of 1.2382 against the dollar in yesterday's trading, mainly due to the relief in the markets following the positive data.
- Exports from China fell in August as the trade dispute with the US takes a heavy toll on the country's manufacturing sector. Despite expectations of an increase, exports decreased 1% y/y last month compared to the 3.3% rise in exports in July. China's trade surplus has fallen to \$34.8bn compared to \$45bn in July. The latest rounds of tariffs took effect last Sunday and were aimed at final goods such as shoes and clothing manufactured in China. The move was expected to hit not only Chinese producers but US consumers as well who rely on cheap goods. However, sentiment improved late last week when both countries agreed to restart trade talks after weeks of silence.
- Investors are currently weighing expectations for further rate cuts by the Federal Reserve after Chairman Jerome Powell reiterated his stance that the bank would "act as appropriate to sustain the expansion". His comments along with a slow-down in US job growth and a contraction in the manufacturing sector signals that the economy may be losing momentum despite strong consumer spending. Investors are already expecting a 25 basis point rate cut this month. Treasuries sold off with yields on the 10-year up to 1.6404 following a low of 1.4290 at the beginning of September.

GBP/USD
2-Month Performance



US 10 Year Treasury
1-Month Performance

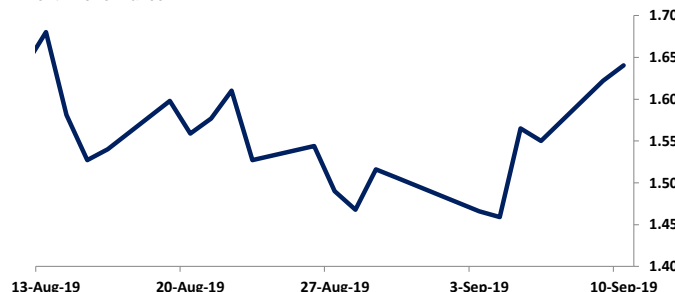


Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.0945	1.0995	1.1046	1.1095	1.1145
GBP	1.2235	1.2285	1.2339	1.2390	1.2440
JPY	106.35	106.90	107.39	107.85	108.45
CHF	0.9825	0.9870	0.9922	0.9975	1.0025

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1046	(3.70)	EUR/GBP	0.8946	(0.38)
GBP/USD	1.2345	(3.29)	GBP/JPY	132.38	(5.41)
USD/JPY	107.2300	(2.63)	EUR/JPY	118.46	(6.05)
USD/CHF	0.9919	1.09	EUR/CHF	1.0957	(2.63)

Major Crosses

Brief Technical Commentary

EUR/USD: The pair moved up to the 1.1067 level during Monday's trading session and currently trading at 1.1046. EUR/USD Support is at (1.0945-1.0995) any break below would take the pair down to 1.0830. Short term outlook is Bearish.

GBP/USD: The pair moved up to the 1.2382 level during Monday's trading session and currently trading at 1.2339. GBP/USD Resistance is at (1.2390-1.2440) any break above would take the pair up to 1.2545. Short term outlook is Neutral.

Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	2.25	2.56	2.81	3.00	3.25
USD	2.13	2.05	2.14	2.04	1.95
EUR	-0.46	-0.51	-0.48	-0.46	-0.39
GBP	0.69	0.71	0.77	0.82	0.89
CHF	-0.85	-0.91	-0.86	-0.83	-0.75
AUD	0.70	1.15	1.17	1.10	1.00

Economic Events

Date	Country	Event	Actual	Forecast	Previous
9-Sep-19	GBP	GDP m/m	0.3%	0.1%	0.0%
9-Sep-19	GBP	Manufacturing Production m/m	0.3%	-0.3%	-0.2%
11-Sep-19	CNY	New Loans		1200B	1060B
11-Sep-19	USD	Crude Oil Inventories			-4.8M
12-Sep-19	EUR	Main Refinancing Rate		0.0%	0.0%
12-Sep-19	EUR	Monetary Policy Statement			
12-Sep-19	EUR	ECB Press Conference			
12-Sep-19	USD	CPI m/m		0.1%	0.3%
12-Sep-19	USD	Core CPI m/m		0.2%	0.3%
13-Sep-19	USD	Retail Sales m/m		0.20%	0.7%

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	1.75	1.59	1.49	1.64	2.12
Germany	-0.77	-0.84	-0.87	-0.59	-0.04
United Kingdom	0.49	0.42	0.38	0.59	1.10
Japan	-0.28	-0.30	-0.33	-0.23	0.27

Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	63.31	1.92	Dow Jones	26,835.51	0.14
Brent	59.05	(0.20)	Nikkei 225	21,387.55	69.13
West Texas	58.09	0.24	S&P 500	2,978.43	(0.01)
Gold	1,490.00	(0.58)	KuwaitSE	5,863.38	(1.21)

Global Indices

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