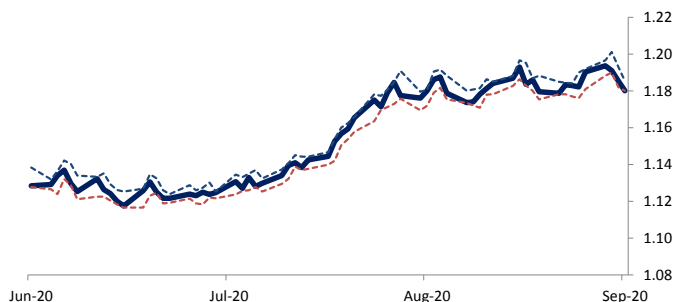


Highlights in the Foreign Exchange Market:

- Yesterday, data that provided an early look at US employment growth revealed that an estimated 428,000 workers were added to the labor market last month, about half the forecasted amount. Though the US has revealed significant recovery in manufacturing, the labor market continues to struggle. Meanwhile, the US Center for Disease Control and Prevention has announced several states need to prepare for a Covid-19 vaccine to be available by November 1st, just prior to the presidential election.
- The greenback gained ground against most major currencies, with the sharpest declines seen in the euro and Australian dollar. Expectations for a rebound in German retail sales for July failed to deliver. The worry now is that the recovery in the Eurozone will be slower than initially estimated. The euro is now around 1.7% lower than its Tuesday high of 1.2011. Switching over to gold, the safe-haven metal pushed above the \$2,000 level once again yesterday though later lost strength.
- Data revealed US crude inventories fell by 9.4 million barrels in the week to August 28, to 498.4 million barrels. The drop was driven by a record fall in production as most US offshore facilities shut down in precaution for an incoming hurricane. Oil prices remained steady after rallying to around \$43 a barrel, with prices struggling to gain ground as rising coronavirus cases continue to threaten global demand. Additionally, concerns regarding OPEC over-supply are back in focus. Brent crude fell by 3.05% yesterday, currently trading at around \$44.35.

EUR/USD
3-Month Performance



Brent Crude
3-Month Performance

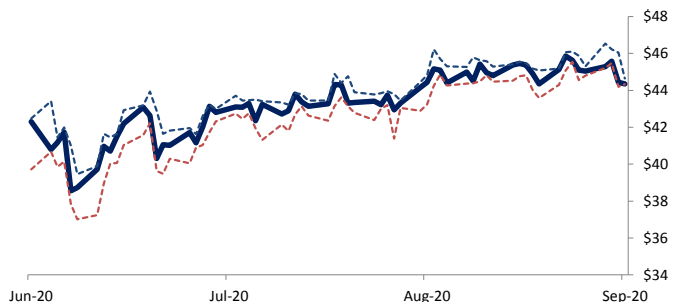


Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1705	1.1755	1.1806	1.1860	1.1910
GBP	1.3210	1.3260	1.3312	1.3365	1.3415
JPY	105.20	105.70	106.26	106.75	107.25
CHF	0.9020	0.9070	0.9126	0.9175	0.9225

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1853	5.28	EUR/GBP	0.8878	4.92
GBP/USD	1.3352	0.32	GBP/JPY	141.76	(0.96)
USD/JPY	106.1800	(2.33)	EUR/JPY	125.87	2.91
USD/CHF	0.9105	(5.67)	EUR/CHF	1.0793	(0.70)

Major Crosses

Brief Technical Commentary

EUR/USD: The pair moved down to the 1.1820 level during Wednesday's trading session and currently trading at 1.1806. EUR/USD Support levels are at (1.1705-1.1755) any break below would take the pair down to 1.1655. Short term outlook is Neutral.

GBP/USD: The pair moved up to the 1.3281 level during Wednesday's trading session and currently trading at 1.3312. GBP/USD Support levels are at (1.3210-1.3260) any break below would take the pair down to 1.3050. Short term outlook is Neutral.

Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	1.13	1.38	1.63	1.81	2.13
USD	0.11	0.16	0.25	0.30	0.43
EUR	-0.55	-0.54	-0.51	-0.47	-0.37
GBP	0.06	0.06	0.06	0.11	0.23
CHF	-0.81	-0.79	-0.73	-0.67	-0.53
AUD	-0.10	0.08	0.08	0.19	0.15

Economic Events

Date	Country	Event	Actual	Forecast	Previous
31-Aug-20	CNY	Manufacturing PMI	51.0	51.1	51.1
1-Sep-20	CNY	Caixin Manufacturing PMI	53.1	52.6	52.8
1-Sep-20	AUD	Cash Rate	0.25%	0.25%	0.25%
1-Sep-20	CAD	Manufacturing PMI	55.1	52.9	52.9
1-Sep-20	USD	ISM Manufacturing PMI	56.0	54.5	54.2
2-Sep-20	AUD	GDP q/q	-7.0%	-6.0%	-0.3%
2-Sep-20	USD	ADP Non-Farm Employment Change	428K	1250K	167K
3-Sep-20	USD	Unemployment Claims		956K	1006K
3-Sep-20	USD	ISM Non-Manufacturing PMI		57.5	58.1
4-Sep-20	USD	Non-Farm Employment Change		1518K	1006K

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	0.11	0.13	0.26	0.66	1.38
Germany	-0.59	-0.71	-0.71	-0.48	-0.03
United Kingdom	-0.08	-0.12	-0.08	0.23	0.82
Japan	-0.14	-0.13	-0.09	0.03	0.60

Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	43.72	(3.04)	Dow Jones	29,100.50	1.59
Brent	44.43	(0.20)	Nikkei 225	23,490.81	1.05
West Texas	42.76	(0.03)	S&P 500	3,580.84	1.54
Gold	1,936.85	(0.30)	KuwaitSE	5,321.53	(0.10)

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 (TELEX : 46811 - FAX +965 2241 9720).