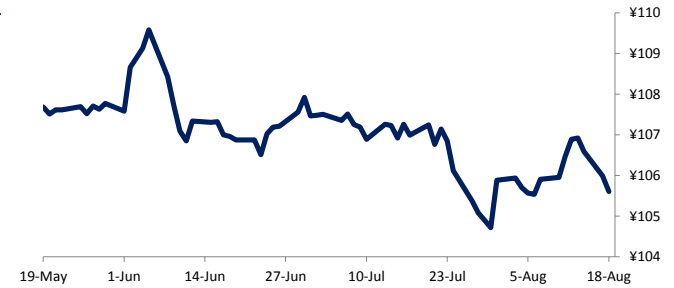


Highlights in the Foreign Exchange Market:

- The week started off with a weaker dollar, while commodity currencies (AUD, NOK & CAD) appreciated. Financial markets were pleased by the delayed review of the US-China trade pact which left the Phase-1 deal intact. The 6-month review was scheduled for Saturday and no new date has been booked on the calendar for the rescheduled review. In spite of the deferment, the White House announced yesterday that it will further tighten restrictions on Huawei Technologies. The latest restrictions are designed to prevent Huawei from acquiring semiconductors without a special license. The US Commerce Department stated it will add 38 Huawei affiliates in 21 countries to the US government's economic blacklist, increasing the total affiliates to 152 since Huawei was first added in May 2019.
- In the FX market, the US dollar fell across the board on Monday after the New York Fed's Empire State business conditions index fell to 3.7 from 17.2 seen in July. Last week's US retail sales also disappointed to the downside coming in at 1.2% compared to the earlier reading of 8.4%. Negative economic data with this week's uncertainty surrounding the Fed's latest policy meeting minutes, which will be released on Wednesday, diminished dollar demand. The dollar index is only 0.1% away from its 2.3 years low of 92.770. The best performers were the AUD, CAD, and JPY, all gaining around 0.5% against their dollar counterpart.
- Japanese fundamentals came in sour with the release of the country's GDP. As expected, the Q2 figure was terrible. Growth was at -7.8% q/q, far worse than the Q1 figure of -0.6%. On an annualized basis compared with Q1, GDP plunged by 27.8%. The awful numbers did not stop the yen from posting gains. Frail Q2 GDP numbers across the globe have become a norm and it seems investors are showing a thicker skin as the reading failed to shake up financial markets or the USD/JPY pair.

USD/JPY
3-Month Performance



Japan GDP Q/Q Annualised
5-Year Performance

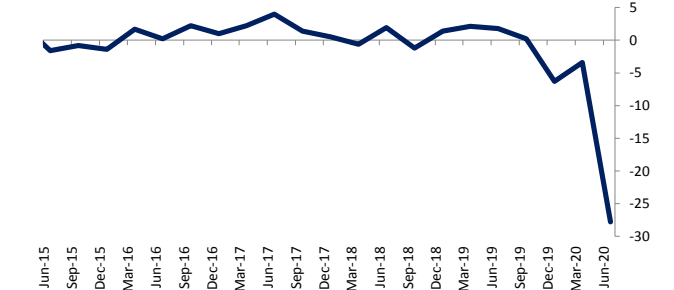


Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1785	1.1835	1.1890	1.1940	1.1990
GBP	1.3025	1.3075	1.3133	1.3185	1.3235
JPY	104.65	105.15	105.64	106.10	106.65
CHF	0.8955	0.9005	0.9049	0.9110	0.9160

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1869	6.09	EUR/GBP	0.9057	7.07
GBP/USD	1.3102	(0.91)	GBP/JPY	138.88	(2.82)
USD/JPY	105.9900	(2.98)	EUR/JPY	125.81	3.00
USD/CHF	0.9064	(6.48)	EUR/CHF	1.0761	(0.80)

Brief Technical Commentary

EUR/USD: The pair moved up to the 1.1882 level during Monday's trading session and currently trading at 1.1890. EUR/USD Resistance levels are at (1.1940-1.1990) any break above would take the pair up to 1.2095. Short term outlook is Bullish.

GBP/USD: The pair moved up to the 1.3123 level during Monday's trading session and currently trading at 1.3133. GBP/USD Resistance levels are at (1.3185-1.3235) any break above would take the pair up to 1.3295. Short term outlook is Bullish.

Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	1.13	1.38	1.56	1.81	2.13
USD	0.12	0.15	0.27	0.33	0.46
EUR	-0.56	-0.55	-0.51	-0.47	-0.35
GBP	0.06	0.06	0.07	0.13	0.27
CHF	-0.81	-0.78	-0.71	-0.65	-0.51
AUD	-0.05	0.08	-0.15	0.17	0.10

Economic Events

Date	Country	Event	Actual	Forecast	Previous
18-Aug-20	AUD	Monetary Policy Meeting Minutes			
19-Aug-20	ALL	OPEC-JMMC Meetings			
19-Aug-20	USD	Crude Oil Inventories			-4.5M
19-Aug-20	USD	FOMC Meeting Minutes			
20-Aug-20	USD	Philly Fed Manufacturing Index		21.0	24.1
20-Aug-20	USD	Unemployment Claims	990K		963K
21-Aug-20	EUR	French Flash Services PMI	56.3		57.3
21-Aug-20	EUR	French Flash Manufacturing PMI	53.0		52.4
21-Aug-20	GBP	Flash Manufacturing PMI	54.0		53.3
21-Aug-20	GBP	Flash Services PMI	57.0		56.5

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	0.12	0.15	0.28	0.68	1.42
Germany	-0.60	-0.67	-0.66	-0.46	-0.02
United Kingdom	-0.04	-0.01	-0.06	0.22	0.77
Japan	-0.14	-0.13	-0.09	0.03	0.61

Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	44.02	1.43	Dow Jones	27,844.91	(0.81)
Brent	45.27	(0.22)	Nikkei 225	23,026.38	(0.80)
West Texas	42.74	(0.35)	S&P 500	3,381.99	0.27
Gold	1,993.74	0.41	KuwaitSE	5,242.64	0.77

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