

Highlights in the Foreign Exchange Market:

- US equity indices rebounded this morning after China's government stepped in to stabilize the yuan. The yuan has been under pressure since President Trump imposed an additional 10% tariffs on \$300 billion imports from China. The USD/CNY soared to the highest level since the Great Financial Crisis to a high of 7.0575. Since this year's low, THE USD/CNY has risen around 5%. China's path to fix the CNY at stronger levels reduced fears of further intensification in the trade war theme that has been shaking markets since last week. All three major US stock markets closed in the green-zone yesterday and the S&P 500 was the best performer gaining 0.56%.
- The US dollar cost of funding has diminished significantly the past week, pressured down by expectations of more interest rate cuts from the Federal Reserve to counter risks from the trade tensions between China and the US. The 1-year USD libor has fallen below the 2% level to 1.994%, the lowest since December 2017.
- Brent prices have plunged more than 9% in the past week after US President Donald Trump said he would slap a 10% tariff on a further \$300 billion in Chinese imports starting on Sept. 1. Meanwhile tensions in the Middle East have heightened in the wake of attacks on tankers and U.S. drones, raising concerns over passing through the Strait of Hormuz, a key shipping artery of global oil trade. Brent crude was last \$58.84, 0.1% lower than yesterday's close.

1yr US Libor
3 Month Performance



Brent Crude
3 Month Performance

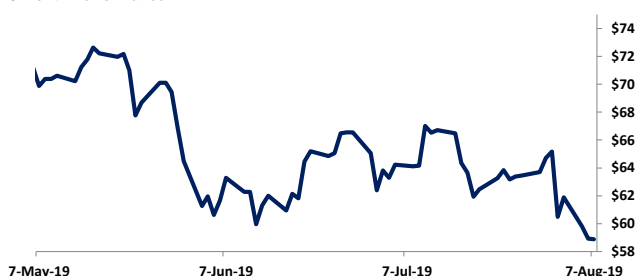


Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1105	1.1155	1.1209	1.1255	1.1305
GBP	1.2065	1.2105	1.2162	1.2210	1.2265
JPY	105.20	105.70	106.20	106.70	107.25
CHF	0.9660	0.9715	0.9764	0.9810	0.9875

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1198	(2.31)	EUR/GBP	0.9200	2.55
GBP/USD	1.2166	(4.68)	GBP/JPY	129.51	(7.75)
USD/JPY	106.4700	(3.66)	EUR/JPY	119.22	(5.70)
USD/CHF	0.9763	(0.51)	EUR/CHF	1.0933	(2.76)

Major Crosses

Brief Technical Commentary

EUR/USD: The pair moved up to the 1.1249 level during Tuesday's trading session and currently trading at 1.1209 EUR/USD Support is at (1.1105-1.1155) any break below would take the pair down to 1.0925. Short term outlook is Bearish.

GBP/USD: The pair moved down to the 1.2131 level during Tuesday's trading session and currently trading at 1.2162 GBP/USD Support is at (1.2065-1.2105) any break below would take the pair down to 1.1950. Short term outlook is Bearish.

Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	2.25	2.63	2.81	3.00	3.19
USD	2.16	2.22	2.21	2.09	2.04
EUR	-0.46	-0.43	-0.41	-0.43	-0.36
GBP	0.69	0.71	0.77	0.81	0.84
CHF	-0.84	-0.82	-0.78	-0.77	-0.65
AUD	1.00	1.08	1.06	1.13	1.07

Economic Events

Date	Country	Event	Actual	Forecast	Previous
5-Aug-19	GBP	Services PMI	51.4	50.4	50.2
5-Aug-19	USD	ISM Non-Manufacturing PMI	53.7	55.5	55.1
6-Aug-19	USD	FOMC Member Bullard Speaks			
8-Aug-19	CNY	Trade Balance		310B	345B
9-Aug-19	AUD	RBA Gov Lowe Speaks			
9-Aug-19	GBP	GDP m/m		0.1%	0.3%
9-Aug-19	GBP	Manufacturing Production m/m		-0.1%	1.4%
9-Aug-19	GBP	Prelim GDP q/q		0.0%	0.5%
9-Aug-19	USD	Core PPI m/m			0.3%
9-Aug-19	USD	PPI m/m			0.1%

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	1.80	1.57	1.50	1.68	2.21
Germany	-0.78	-0.83	-0.81	-0.54	-0.05
United Kingdom	0.51	0.42	0.33	0.51	1.19
Japan	-0.22	-0.24	-0.29	-0.20	0.28

Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	59.85	(1.32)	Dow Jones	26,029.52	1.21
Brent	58.98	0.07	Nikkei 225	20,529.65	(0.27)
West Texas	53.65	0.17	S&P 500	2,881.77	1.30
Gold	1,483.13	0.63	KuwaitSE	6,086.51	(0.26)

Global Indices

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