



Highlights in the Foreign Exchange Market:

- Asian stocks markets are trading in the red zone today pressured down by low expectations for a major breakthrough in US-China trade negotiations, which will resume this week in Beijing. The Hang Seng is leading with heavy losses, down by 1.20% for the day. On the other hand, US equity markets performed positively on Friday with the S&P 500 and Nasdaq indices closing at record highs. Expectation of lower interest rates in the US has paved the way for stock markets to rally. In Friday's trading session, the S&P 500 and Nasdaq Composite gained 0.74% and 1.11% respectively.
- The US dollar maintained its two-month high against a basket of currencies this morning after better-than-expected US GDP data last week reducing expectations of a deep cut by the Fed. The data pushed up US bond yields and cemented expectations that the Fed will go for a smaller interest rate cut of 25 basis points, rather than 50 basis points, to 2.0-2.25%. The Federal Reserve is widely expected to cut interest rates for the first time in more than a decade at their Wednesday meeting. The cut is widely seen as a pre-emptive move by the Fed to protect the economy from global uncertainties and trade pressures.
- In the commodities complex, oil prices dipped slightly this morning as investors still fretted over the outlook for global economic growth. Moreover, weekend talks between Iran and major powers ended on a generally positive note, further pressing oil prices into negative terrain. Brent crude was down by 23 cents, or 0.41%, at \$63.20 a barrel. Prices rose 1.6% last week.

Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1025	1.1075	1.1126	1.1180	1.1230
GBP	1.2265	1.2315	1.2366	1.2420	1.2470
JPY	107.60	108.15	108.58	109.05	109.55
CHF	0.9835	0.9885	0.9932	0.9975	1.0035

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1125	(3.00)	EUR/GBP	0.8988	0.17
GBP/USD	1.2380	(3.10)	GBP/JPY	134.55	(4.12)
USD/JPY	108.6600	(1.50)	EUR/JPY	120.91	(4.27)
USD/CHF	0.9933	1.19	EUR/CHF	1.1052	(1.81)

Brief Technical Commentary

EUR/USD: The pair moved down to the 1.1110 level during Friday's trading session and currently trading at 1.1126. EUR/USD Support is at (1.1025-1.1075) any break below would take the pair down to 1.0925. Short term outlook is Bearish.

GBP/USD: The pair moved down to the 1.2374 level during Friday's trading session and currently trading at 1.2366. GBP/USD Support is at (1.2265-1.2315) any break below would take the pair down to 1.2175. Short term outlook is Bearish.

Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	2.19	2.50	2.69	2.94	3.13
USD	2.27	2.24	2.27	2.20	2.20
EUR	-0.46	-0.42	-0.40	-0.42	-0.34
GBP	0.69	0.72	0.78	0.81	0.86
CHF	-0.83	-0.80	-0.76	-0.74	-0.63
AUD	1.20	1.18	1.10	1.10	1.00

Economic Events

Date	Country	Event	Actual	Forecast	Previous
30-Jul-19	USD	CB Consumer Confidence	-	125.2	121.5
31-Jul-19	CNY	Manufacturing PMI	-	49.6	49.4
31-Jul-19	USD	ADP Employment Change	-	150k	102k
31-Jul-19	USD	FOMC Statement	-		
31-Jul-19	USD	Federal Funds Rate	-	<2.25%	<2.5%
31-Jul-19	USD	FOMD Press Conference	-		
1-Aug-19	CNY	Caixin Manufacturing PMI	-	49.6	49.4
1-Aug-19	GBP	BOE Inflation Report	-		
1-Aug-19	GBP	Montary Policy Summary	-		
1-Aug-19	GBP	Official Bank Rate	-	0.75%	0.75%

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	1.99	1.85	1.85	2.07	2.59
Germany	-0.71	-0.77	-0.71	-0.39	0.20
United Kingdom	0.53	0.47	0.47	0.69	1.35
Japan	-0.20	-0.22	-0.24	-0.15	0.36

Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	65.12	(1.00)	Dow Jones	27,192.45	0.19
Brent	63.19	(0.43)	Nikkei 225	21,568.52	(0.41)
West Texas	56.05	0.17	S&P 500	3,025.86	0.74
Gold	1,419.27	0.07	KuwaitSE	6,124.29	0.72

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