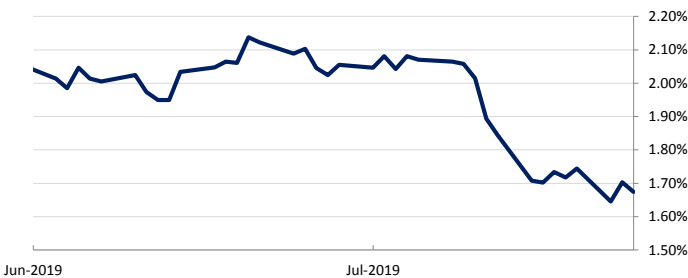


Highlights in the Foreign Exchange Market:

- The US consumer price index rose 0.3% in July, in line with expectations and higher than the 0.1% seen in June. Core CPI - a measure which excludes food and energy costs – saw its strongest increase since December 2018 at 2.2%. According to the Bureau of Labor Statistics prices were “broad based” and rose in housing, medical care, household furnishing, clothing and personal care. The rise will likely do little to change expectations that the Federal Reserve will cut interest rates again next month amid the worsening trade tensions.
- Looking at the trade dispute, US President Donald Trump has taken a step back in his conflict with Beijing. The Trump administration said it would delay its imposition of 10% tariffs as threatened last week on a series on Chinese-made consumer goods until December. About \$250 billion of Chinese goods have already been hit by 25% duties. The IMF last month cited trade tensions as one of the biggest risks to the global economy as it downgraded its growth forecast for the third time.
- Oil prices jumped the most since January on news of the postponement. The price of Brent crude has risen 8% from a week ago to the 60.73 level seen today. Last week, prices had slumped as much as 5% in response to the threat of fresh tariffs announced by Trump in the escalation of the trade war. US equities and China’s renminbi rallied while haven assets fell. Technology shares advanced the S&P 500 around 1.5% on Tuesday to the 2,926.32 level seen today. China’s renminbi gained 0.55% against the greenback since the beginning of this week as the USDCNY pair sits at 7.019.

10-Year Treasury Yield



S&P 500 Index

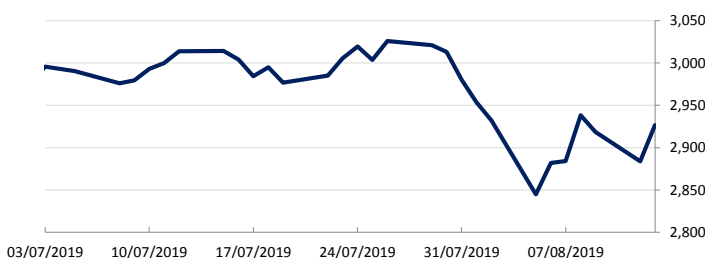


Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1070	1.1120	1.1169	1.1220	1.1275
GBP	1.1950	1.2005	1.2053	1.2105	1.2160
JPY	105.55	106.00	106.52	107.05	107.55
CHF	0.9665	0.9715	0.9764	0.9815	0.9870

Major Currencies

CCY	Closing Rate	YTD %
EUR/USD	1.1171	-2.5%
GBP/USD	1.2060	-5.4%
USD/JPY	106.74	3.0%
USD/CHF	0.9766	0.6%

Major Crosses

CCY	Closing Rate	YTD %
EUR/GBP	0.9264	-3.0%
GBP/JPY	128.72	9.0%
EUR/JPY	119.24	5.8%
EUR/CHF	1.09	3.2%

Brief Technical Commentary

EUR/USD: The pair moved up to the 1.1228 level during Tuesday’s trading session and currently trading at 1.1169 EUR/USD Support is at (1.1070-1.1120) any break below would take the pair down to 1.0925. Short term outlook is Bearish.

GBP/USD: The pair moved up to the 1.2097 level during Tuesday’s trading session and currently trading at 1.2053 GBP/USD Support is at (1.1950-1.2005) any break below would take the pair down to 1.1870 Short term outlook is Bearish.

Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	0.00	2.63	2.88	3.06	3.25
USD	2.14	2.20	2.18	2.06	1.99
EUR	-0.46	-0.43	-0.42	-0.43	-0.38
GBP	0.69	0.71	0.76	0.79	0.82
CHF	-0.84	-0.82	-0.79	-0.78	-0.67
AUD	2.78	2.87	2.96	3.06	3.34

Economic Events

Date	Country	Event	Actual	Forecast	Previous
13-Aug-19	GBP	Average Earnings Index 3m/y	3.7%	3.7%	3.5%
13-Aug-19	USD	CPI m/m	0.3%	0.3%	0.1%
13-Aug-19	USD	Core CPI m/m	0.3%	0.2%	0.3%
14-Aug-19	CNY	Industrial Production y/y	4.8%	6.0%	6.3%
14-Aug-19	GBP	CPI y/y		1.9%	2.0%
14-Aug-19	EUR	Flash GDP q/q		0.2%	0.2%
14-Aug-19	EUR	Industrial Production m/m		-1.4%	-0.9%
15-Aug-19	USD	Core Retail Sales m/m		0.4%	0.4%
15-Aug-19	USD	Retail Sales m/m		0.3%	0.4%
15-Aug-19	USD	Philly Fed Manufacturing Index		10.1	21.8

Government Yields

Country	2-Year	3-Year	5-Year	10-Year	30-Year
United States	1.63	1.57	1.55	1.67	2.15
Germany	-0.89	-0.93	-0.85	-0.61	-0.13
United Kingdom	0.45	0.34	0.35	0.49	1.14
Japan	-0.28	-0.28	-0.31	-0.23	0.19

Commodities

Index	Last Price	1D % Change	Index	Last Price	1D % Change
Kuwait Oil	59.48	2.01	Dow Jones	26,279.91	1.44
Brent	60.64	1.08	Nikkei 225	20,619.74	0.80
West Texas	56.38	1.26	S&P 500	2,926.32	1.50
Gold	1,500.88	0.04	KuwaitSE	4,896.59	0.41

All information has been sourced from Bloomberg

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For further information or discussion, please contact the Treasury Services Desk on TSD_LIST@NBK.COM or +965 2221 6603 FAX +965 2241 9720.