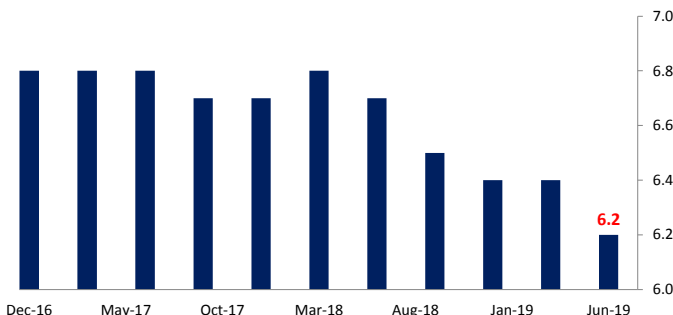


Highlights in the Foreign Exchange Market:

- The Bank of England released its financial stability report on Thursday where it warned that the “perceived likelihood” of a no-deal Brexit had increased, stating that it would bring with it “material risks of economic disruption” and “significant” market volatility. The report noted that the British economy is already feeling the effects of a Brexit related slowdown, with uncertainty hitting both sterling exchange rates and the prices of UK-focused equities. The risk of a no-deal Brexit has been rising since Theresa May stepped down as Prime Minister, with the two candidates that are likely to succeed her - Boris Johnson and Jeremy Hunt – have both said they are willing to take the UK out of the EU without an agreement.
- In Asia, China’s economy grew at 6.2% y/y in the second quarter of 2019, marking its slowest pace since the early 1990’s. The figure was in line with expectations and slower than the 6.4% reported for the first quarter. The softening understandably comes from the ongoing US-China trade spat, which has recently calmed after a meeting between the two countries’ presidents. China’s industrial output grew 6.3% in June from a year earlier, official data showed on Monday, picking up from May’s 17-year low and handily beating market expectations. Analysts polled by Reuters had tipped a 5.2% rise, compared with 5.0% growth seen in May. June retail sales surged 9.8% from a year earlier, compared with the 8.3%. The stronger-than-expected economic data from China indicates that fiscal and monetary policy moves aimed at reviving spending in the world’s second biggest economy are having some success.
- The Canadian dollar strengthened adding to this week’s gains, driven by a less dovish interest rate outlook from the Bank of Canada compared with the Federal Reserve. Canada’s central bank on Wednesday left its benchmark interest rate steady at 1.75% and made clear it had no intention of easing monetary policy. That stance has contrasted with dovish guidance this week from the Fed.

China's GDP % (y/y)



USD/CAD

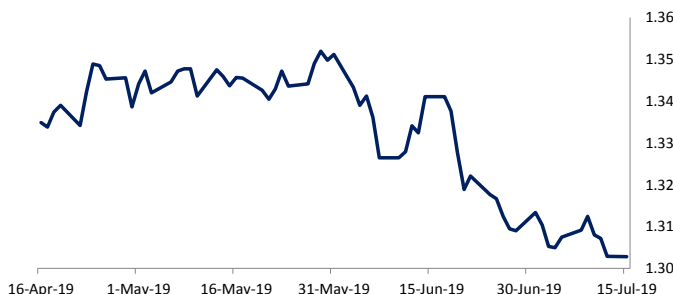


Chart Points and Other Technical Input

CCY	2nd Support	1st Support	Spot	1st Resistance	2nd Resistance
EUR	1.1175	1.1225	1.1272	1.1325	1.1375
GBP	1.2470	1.2525	1.2573	1.2625	1.2675
JPY	107.05	107.55	108.03	108.55	109.05
CHF	0.9740	0.9790	0.9840	0.9890	0.9945

Major Currencies

CCY	Closing Rate	YTD %	CCY	Closing Rate	YTD %
EUR/USD	1.1269	(1.74)	EUR/GBP	0.8960	(0.17)
GBP/USD	1.2573	(1.50)	GBP/JPY	135.66	(3.07)
USD/JPY	107.8900	(2.03)	EUR/JPY	121.60	(3.54)
USD/CHF	0.9840	0.33	EUR/CHF	1.1092	(1.39)

Major Crosses

Brief Technical Commentary

EUR/USD: The pair moved up to the 1.1275 level during Friday's trading session and currently trading at 1.1272 EUR/USD Resistance is at (1.1325-1.1375) any break above would take the pair up to 1.1425. Short term outlook is Bullish.

GBP/USD: The pair moved up to the 1.2579 level during Friday's trading session and currently trading at 1.2573 GBP/USD Resistance is at (1.2625-1.2675) any break above would take the pair up to 1.2835. Short term outlook is Bullish.

Local & Global Rates

CCY	1-Week	1-Month	3-Month	6-Month	1-Year
KWD	2.19	2.50	2.75	2.94	3.13
USD	2.38	2.33	2.32	2.23	2.23
EUR	-0.45	-0.43	-0.40	-0.40	-0.31
GBP	0.69	0.72	0.77	0.82	0.90
CHF	-0.82	-0.81	-0.75	-0.71	-0.59
AUD	0.98	1.15	1.15	1.39	1.34

Economic Events

Date	Country	Event	Actual	Forecast	Previous
16-Jul-19	USD	Average Earnings Index 3m/y		3.1%	3.1%
16-Jul-19	USD	Core Retail Sales m/m		0.1%	0.5%
16-Jul-19	USD	Fed Chair Powell Speaks			
17-Jul-19	GBP	CPI y/y		2.0%	2.0%
17-Jul-19	EUR	CPI y/y		1.2%	1.2%
17-Jul-19	USD	Building Permits		1.30M	1.29M
18-Jul-19	GBP	Retail Sales m/m		-0.3%	-0.5%
18-Jul-19	GBP	BOE Credit Conditions Survey			
18-Jul-19	JPY	Trade Balance		-0.14T	-0.61T
19-Jul-19	JPY	National Core CPI y/y		0.6%	0.8%

Government Yields

Country	1-Year	2-Year	5-Year	10-Year	30-Year
United States	1.92	1.86	1.88	2.14	2.66
Germany	-0.71	-0.74	-0.61	-0.25	0.38
United Kingdom	0.63	0.58	0.62	0.83	1.43
Japan	-0.18	-0.19	-0.21	-0.12	0.38

Commodities

Index	Last Price	% Change	Index	Last Price	% Change
Kuwait Oil	67.29	(0.49)	Dow Jones	27,332.03	0.90
Brent	62.53	0.21	Nikkei 225	21,685.90	0.20
West Texas	56.41	0.28	S&P 500	3,013.77	0.46
Gold	1,413.05	(0.17)	KuwaitSE	6,128.54	0.02

Global Indices

All information has been sourced from Reuters.

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